



**CVCA Private Equity Report**

Reflecting on 2017

June 2018

# Welcome to the 2017 Activity Report of the Czech Private Equity & Venture Capital Association, produced by Deloitte in association with the Czech Private Equity & Venture Capital Association.

## Introduction

The private equity (PE) market in the Czech Republic and the entire Central & Eastern Europe (CEE) has continued its strong run, with a healthy macroeconomic backdrop helping to drive realisations, deals and fundraising in 2017. The buoyant market follows the increased activity levels seen in 2015 and 2016, with the region's progress mirroring the uptick in Western Europe.

The Czech Republic had a particularly strong 2017 in terms of the economy, with GDP growth reaching 4.6% and the Czech koruna gradually strengthening, particularly after the Czech National Bank abandoned its exchange rate cap against the euro in April 2017. The growth has affected other areas: unemployment is at record low, boosting wages and thus consumer confidence; and the real estate market is strong – and perhaps too strong, a factor in the interest rate rises<sup>1</sup>. Interest rates increased to 0.5% in 2017 and to 0.75% in February 2018; with Czech central bank governor Jiří Rusnok hinting another rise could be on the cards soon owing to inflationary pressure. Regardless, GDP growth is expected to continue, even though at a slower pace (2.7% in 2018 and 3.1% in 2019).

The backdrop has been conducive to dealflow, with a couple of sizeable Czech deals making headlines across Europe: Apax Partners-backed Unilabs acquired

Czech and Slovak medical labs business AeskuLab and Alpha Medical in a €370m deal, while local family office R2G Rohan acquired a majority stake in Pegas Nonwovens in a €300m deal.

Deal-doing has been further supported by liquid leverage markets as well as record levels of fundraising across Europe in 2016 and 2017. CEE has been no exception: in September 2017, regional heavyweights raised nearly €1bn between them when Enterprise Investors closed on €498m and Abris Capital raised €500m. These and other fundraisings, which totalled approximately €1.3bn<sup>2</sup> in 2017, were driven by a number of strong exits in the region combined with very low interest rates, meaning investors continue to seek yield in alternative assets. Czech PE firm Jet Invest has taken advantage of this demand by launching a vehicle for individuals to invest in, with a minimum commitment size of CZK 100,000.

Competition from corporate buyers is impacting deals: tight labour markets make organic growth challenging, while plentiful leverage encourages acquisitive growth. Combine this with the dry powder currently available to Czech private equity firms and upward pricing pressure is unsurprising. On top of that, Czech family offices, a fairly new market development set up by local home grown high-net-worth individuals

/ entrepreneurs harvesting their efforts and ploughing their proceeds back into the private sector, is increasingly acquisitive and became a new type of player in the Czech M&A space.

High valuations are good for sellers, with a number of succession-led opportunities creating deal-flow for private equity firms. In May 2018, Genesis Capital launched a growth equity fund to back succession opportunities. Last year saw SkyLimit announce a fund for private investors to invest into family-owned businesses with founders and owners seeking to exit.

Private equity sellers are also benefitting from the strong valuations, with a number of lucrative exits taking place in 2016 and 2017. The distributions these exits catalysed for investors helped whet appetites for the fundraisings.

Hunger for deals remains strong, though increasing expectations of a tightening of the debt markets may see activity slow down. Large deals expected for 2018 include Advent International's acquisition of Czech-based generic drugs business Zentiva for €2bn – in what will mark the firm's second private equity backer. This, combined with the recent success of CVC's flotation of Avast, means the Czech private equity scene is blipping heavily on investors' radars.



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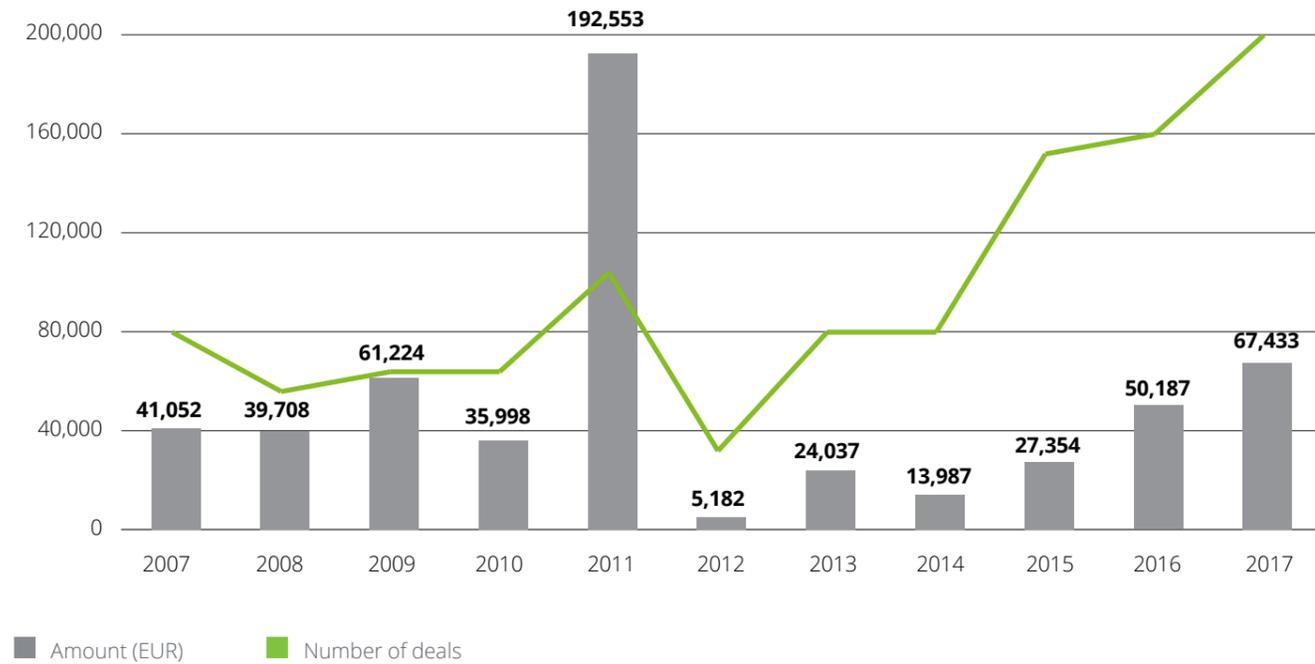


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<sup>1</sup> [https://www.cnb.cz/en/public/media\\_service/interviews/media\\_2018/cl\\_18\\_180123\\_mora\\_reuters.html](https://www.cnb.cz/en/public/media_service/interviews/media_2018/cl_18_180123_mora_reuters.html)

<sup>2</sup> <https://www.unquote.com/cee/analysis/3007933/cee-closes-out-2017-with-strong-investor-confidence>

**Total Investments by Czech PE&VC investors**



Source: Invest Europe Yearbook 2017

In addition to a healthy level of activity within the Czech Republic in 2017, Czech investors did a number of deals in other countries. Buoyed by these foreign transactions, the number of all deals done by Czech GPs stood at an all-time high in 2017, with the value of these deals at its highest level since 2011.

An example of increased activity is the deployment rate of Genesis Capital. The Czech-based GP typically does two deals per year, but did four in 2017 owing to favourable conditions<sup>3</sup>. The firm backed POS Media Group, which was founded in 1998 as a Prague-based media agency but which has now expanded into six countries. It quickly sold the firm just over a year later to a Thai trade buyer DemoPower, itself part of Omni Marketing Global. Genesis also backed the merger of retailers Datart and HP Tronic, which is already successful in the Czech and Slovak Republics and which has multiple overlaps in other CEE

countries. At the start of 2018, Genesis partnered with Avallon to acquire EQOS Energie's Polish and Czech operations, marking Genesis's first deal in Poland.

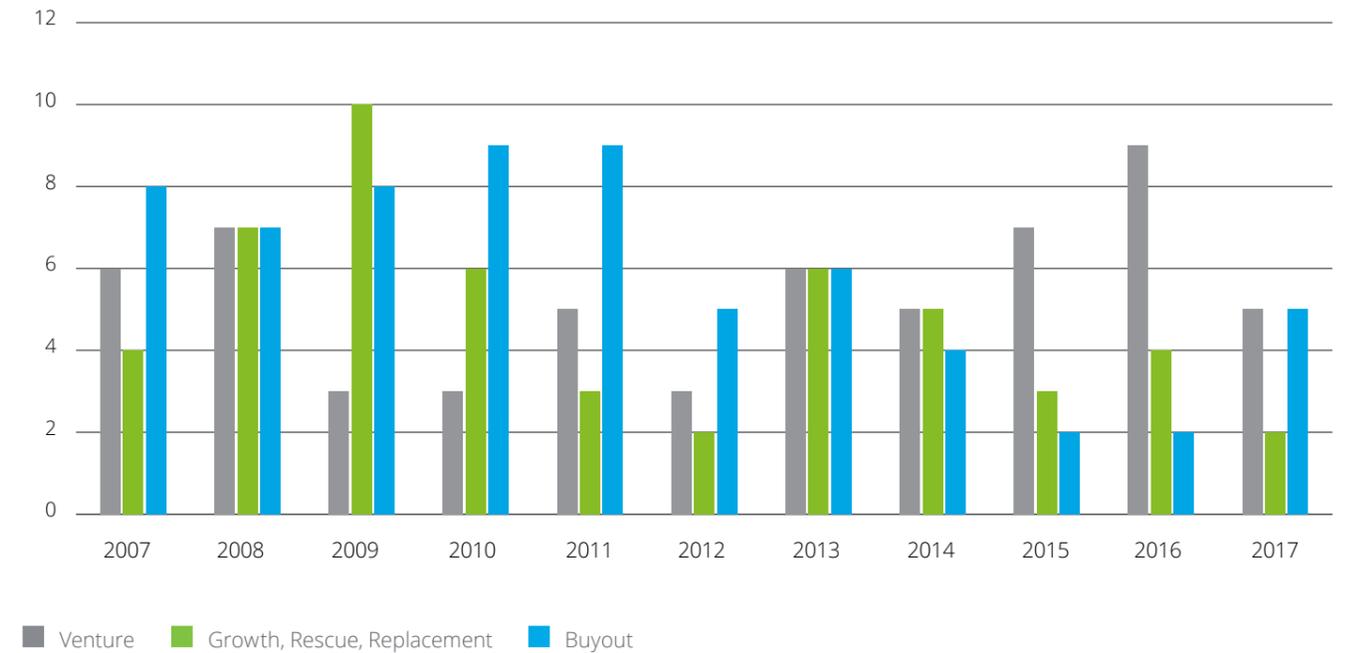
While mid-market opportunities are the bread and butter of the CEE and indeed Czech PE market, there are occasional larger deals which spike activity. One such deal is set to be Advent International's acquisition of Czech-based generic drugs business Zentiva from current owner Sanofi-Aventis. The deal wouldn't mark Zentiva's first iteration of PE backing: Warburg Pincus backed the business in 1998, selling it fully in 2006 for a 9x multiple on capital. The Advent deal could add €2bn to Czech buyout figures for 2018 if successful.

The Czech Republic hosted a couple of sizeable deals in 2017, namely the €370m acquisition of Czech and Slovak medical labs business AeskuLab and Alpha Medical

by Unilabs, itself owned by Apax Partners (note, it is excluded from the statistics owing to the foreign nature of the investor). This, combined with a dozen mid-market transactions, have set the backdrop for a buoyant PE market over the year.

A driver of steady dealflow is the maturing of many businesses founded in the 1990s which now face succession issues. While this has long driven dealflow in much of Western Europe, this growing phenomenon is picking up steam in 2017 / 2018 in the Czech Republic. This year should see travel agency Kiwi.com and hospital beds maker Linet both come to market, with private equity firms likely buyers.

**Investments by stage focus (# of deals)**



Source: Invest Europe Yearbook 2017

Last year saw buyout and venture funds record the same number of deals, the first time in a decade this has been the case.

CEE VC Credo Ventures was particularly busy, recording five deals and two follow-on investments in 2017.

There are also new initiatives to boost venture capital investments in the Czech Republic: Fundlift, the first Czech equity crowdfunding platform, was launched in 2016<sup>4</sup> to allow SMEs to raise between CZK 500,000 and CZK 10m of fresh capital by issuing non-tradable bonds, convertible bonds and equity. The Prague Stock Exchange has just launched its Start Market<sup>5</sup> which caters to businesses with an enterprise value of EUR 1m to EUR 80m. The market offers a simplified prospectus and reduced cost for issuers, though the businesses don't free-float; rather there are four auctions per year allowing them to raise capital.

The existence of such funding possibilities should go a way to providing would-be start-ups with the confidence to proceed knowing there are more funding options available; this in turn should create more of a market for the VC community.

The increase in buyouts in 2017 is likely on the back of two factors: firstly, fundraising has been strong in the last two years, and so some GPs have fresh coffers to deploy. Secondly, leverage markets are liquid, meaning GPs and management teams are able to secure debt at favourable terms, thereby reducing the equity required to complete deals and cost of capital.

Growth deals declined in 2017, though they may pick up as an increasing number of funds to back growth opportunities spring up across Europe. In the Czech Republic, Espira has launched its debut fund with a €30m first close to back growth investments in CEE SMEs. Backers include the local entrepreneurs as well as

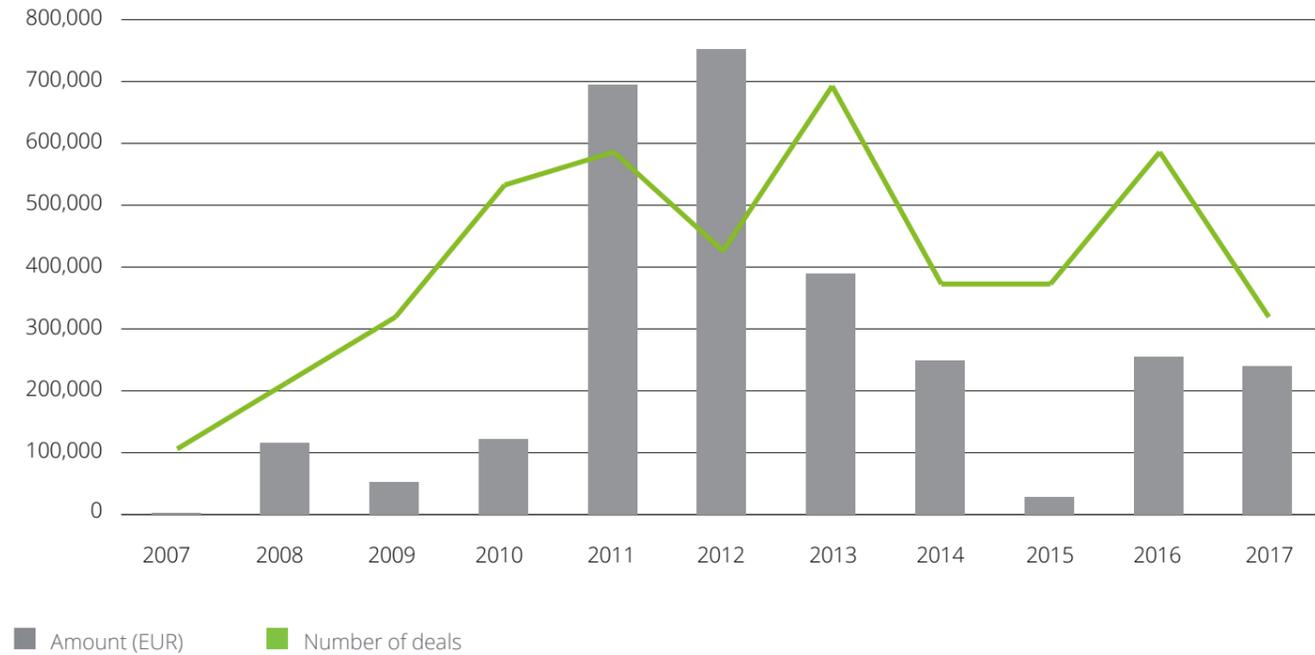
the EIF, the European Fund for Strategic Investments and Horizon 2020, the EU's research and innovation programme.

<sup>3</sup> interview in unquote; also all from its site

<sup>4</sup> <http://www.czechstartups.org/en/new-czech-equity-crowdfunding-platform-fundlift-will-be-launched-at-the-end-of-may/>

<sup>5</sup> <https://www.pse.cz/en/trading/markets/start-market/>

**Total Exits**



Source: Invest Europe Yearbook 2017

Europe is recording a record-level of exits and CEE is no exception: in the four years through 2017, nearly €500bn<sup>6</sup> was recorded for exit activity.

The Czech Republic has played a large part in this, with trade buyers exhibiting a strong appetite for PE-backed assets. The country's largest deal of 2017 was also its largest exit as Apax Partners-backed Unilabs bought AeskuLab and Alpha Medical in a €370m tertiary buyout from incumbent PE Mid Europa Partners.

Another sizeable exit in the year was US-based Clarion Capital's \$320m exit of Moravia IT, a Czech-based IP support services, commercial translations and

linguistic validation business. The firm was sold to trade buyer RWS Holdings plc in October 2017 after a 2.5 year hold.

Other TMT exits to trade buyers included Slevomat, a group discounts portal backed by Enern, which was sold to online travel retailer Secret Escapes in August 2017; and Credo Ventures-backed Apiary, a Czech IT business, which was sold to Oracle at the start of 2017.

Arx Equity Partners exited two businesses in 2017: the firm generated a handsome 3.7x multiple on its 2010 investment in building materials business KVK, which it sold to trade buyer Sika last year; and it sold Manag, an electrical engineering

company, to Czech industrial holdings business Multicraft Group.

This year could see a high value of exit proceeds for the Czech market as CVC Partners floated cybersecurity company Avast. The deal valued the business at £2.4bn and marks the London Stock Exchange's largest-ever tech IPO. CVC acquired majority stake in the business in March 2014 from management and PE house Summit Partners at a \$1bn valuation.

**Exits – Route by # of deals**



Source: Invest Europe Yearbook 2017

Private equity exits struck a nice balance in 2017, with sales to trade buyers and financial institutions roughly evenly split. This marks a shift from previous years since the financial crisis, when trade sales formed the majority of the number of exits of PE-backed Czech businesses. The breakdown remains different to Western Europe, where secondary buyouts tend to be more numerous than trade sales most years.

Arx's exits run has seen trade buyers hungry for its deals: both of its 2017 divestments went to trade buyers, with a further one announced in 2018 as well.

Looking ahead, 2018's figures will host at least one IPO as the flotation of CVC-backed Avast achieved a sizeable IPO

on London Stock Exchange in May 2018. The business itself illustrates the value private equity can add at different stages of a business's growth: the firm had been backed by Summit Partners until early 2014, when CVC then purchased a majority stake in the business at a later stage of its development.

A headline-grabbing exit such as Avast combined with a balanced make-up of exits should go a way to convincing international institutional investors of the merits of Czech private equity.

<sup>6</sup> CMBOR, as reported in FT Dec 17

# Venture Capital/Private Equity highlights

## 2017 PE/VC investments in Czech portfolio companies

PE House	Country	Company	Period	Est. Value EUR m	Stake	Deal description
<b>Genesis Capital s.r.o.</b>	Czech Republic	SANBORN a.s.	November 2017 pending	n/d	n/d	"Genesis Capital s.r.o., a Czech Republic-based private equity firm, and BDO Investment SICAV a.s., a Czech Republic-based investment fund of BDO, the UK-based company providing audit & assurance, tax, advisory, business services& outsourcing and accounting services, have agreed to acquire a significant majority stake in SANBORN a.s., a Czech Republic-based manufacturer of specialized parts for equipment in the power, petrochemical and transport industries, for an undisclosed consideration. The transaction is expected to close in the beginning of December 2017. Genesis invested through its fund - Genesis Private Equity Fund III. Sanborn reported a maximum revenue of CZK 437m (EUR 16.20m) in 2016 and has a workforce of over 200 employees. Source Links: Genesis Capital s.r.o. press release, 29 November 2017 Genesis Capital s.r.o. press release, 29 November 2017 (Czech)"
<b>Genesis Capital s.r.o.</b>	Czech Republic	D2G Group	November 2017	n/d	n/d	"Genesis Capital s.r.o., a Czech Republic-based private equity firm, through Genesis Private Equity Fund III, a Czech Republic-based private equity fund, has acquired an undisclosed majority stake in D2G Group, a Czech Republic-based group engaged in providing industrial automation technologies, for an undisclosed consideration. The acquisition allows Genesis Capital to consolidate its portfolio of products and services in the field of industrial automation. It allows D2G to strengthen its acquisition and growth strategy, with the support of Genesis Capital and enables it to provide more offerings to satisfy the complex needs of its customers. Earlier, Deimos s.r.o, together with O. K. NAVY. spol. s.r.o. has combined with KVELB s.r.o. to form D2G Group. The D2G Group is expected to generate a turnover of approximately CZK 450m (EUR 17.70m) for 2017 and has 140 employees. Source Links: Genesis Capital s.r.o. press release, 27 November 2017 Genesis Capital s.r.o. press release, 27 November 2017 (Czech)"
<b>Genesis Capital s.r.o.</b>	Czech Republic	Datart International, a.s.	October 2017	n/d	n/d	"Genesis Capital s.r.o., the Czech Republic-based private equity firm, through its Genesis Private Equity Fund III, has agreed to acquire an undisclosed minority stake in HP TRONIC Zlin, spol. s.r.o., a Czech Republic-based owner and operator of retail stores that provides household appliances and consumer electronics, for an undisclosed consideration. Simultaneously, HP TRONIC has also acquired an 80% stake in DATART. The company employs more than 1,400 people and achieved a profit of CZK 104m (EUR 3.86m) from a CZK 9.1bn (EUR 337.39m) turnover in the financial year 2015-16. The transaction is subject to competition authority in the Czech Republic and Antimonopoly Office of the Slovak Republic. UPDATE 26 October 2017: The merger of DATART and HP TRONIC Zlin, spol. s.r.o. has been completed, and Genesis Capital gained a material minority share on October 25, 2017. Source Links: Hp Tronic Zlin, spol. s.r.o. press release, 13 June 2017 (Czech) Genesis Capital s.r.o. press release, 13 June 2017 (Czech) Genesis Capital s.r.o. press release, 13 June 2017 Datart International, a.s. press release, 13 June 2017 (Czech) Genesis Capital s.r.o. press release, 26 October 2017"

PE House	Country	Company	Period	Est. Value EUR m	Stake	Deal description
<b>Genesis Capital s.r.o.</b>	Czech Republic	POS Media Czech Republic, 2017 s.r.o.	March 2017	n/d	47	"Genesis Private Equity Fund III, a Czech Republic-based fund of Genesis Capital s.r.o., a Czech Republic-based private equity firm, has acquired a 47% stake in POS Media Czech Republic, s.r.o., a Czech Republic-based provider of point-of-sales advertising services to retail customers, from Richard van het Bolscher, a Czech Republic-based private individual having interest in companies engaged in providing point-of-sales advertising services to retail customers, for an undisclosed consideration. POS generated annual revenue of EUR 29m in 2016 and has a workforce of 170 employees. Source Links: Genesis Capital s.r.o. press release, 15 March 2017 Genesis Capital s.r.o. press release, 15 March 2017 (Czech) Kinstellar press release, March 2017"
<b>ARX Equity Partners</b>	Czech Republic	Nutricia Deva a.s.	January 2017	n/d	n/d	"ARX Equity Partners, the Czech Republic-based private equity firm, and Mr. Keith Dilworth, the Czech Republic-based food industry entrepreneur, have acquired Nutricia Deva a.s., the Czech Republic-based producer of baby fruit desserts and fruit drinks, from Danone SA, the France-based producer of fresh dairy products, beverages, baby food and clinical nutrition products, for an undisclosed consideration. Through this acquisition, ARX and Mr. Keith aim to expand the existing business via further organic growth and to use the company as a platform to acquire complementary add-on acquisitions. Post acquisition, Mr. Keith will be appointed as the CEO of Nutricia. Additionally, Nutricia will enter into a manufacturing contract and will continue to manufacture baby food desserts under the Danone brands. Nutricia was founded in 1950. The company has a total annual capacity of 24,000 tons, and also holds bio and organic certifications. Source Link: ARX Equity Partners press release, 31 January 2017"
<b>Credo Ventures</b>	Czech Republic	Runecast	n/d	n/d	n/d	Credo Ventures a venture capital firm that focuses on early stage companies in Central and Eastern Europe across the information technology, internet, mobile and healthcare markets invested into Brno's start-up Runecast, which is a company developing a tool for real-time monitoring and predictive analysis used in VMware environments. Their solution helps customers to switch the VMware maintenance from reactive to predictive. The real contribution to customers is the reduction of outages and increased security along with cost reduction.
<b>Credo Ventures</b>	Czech Republic	Angee	n/d	n/d	n/d	Credo Ventures a venture capital firm that focuses on early stage companies in Central and Eastern Europe across the information technology, internet, mobile and healthcare markets invested into Czech start-up Angee, which focuses on household security.
<b>Credo Ventures</b>	Czech Republic	DCS	n/d	n/d	n/d	Credo Ventures a venture capital firm that focuses on early stage companies in Central and Eastern Europe across the information technology, internet, mobile and healthcare markets invested into DCS, a travel technology company
<b>Credo Ventures</b>	Czech Republic	Supernova	n/d	n/d	n/d	Credo Ventures a venture capital firm that focuses on early stage companies in Central and Eastern Europe across the information technology, internet, mobile and healthcare markets invested 10 mil. CZK into supernova, a company which is focused in producing software which optimises mobile application programming.
<b>Credo Ventures</b>	Czech Republic	IP Fabric	n/d	n/d	n/d	Credo Ventures a venture capital firm that focuses on early stage companies in Central and Eastern Europe across the information technology, internet, mobile and healthcare markets invested 1.3 mil. EUR into Prague's start-up IP Fabric, which is a company developing a solution of a new generation for maintaining network infrastructure. Their solution allows virtualization and safe management of network components. It is a unique way which allows interpretations of network components and their relationship with business management.

PE House	Country	Company	Period	Est. Value EUR m	Stake	Deal description
<b>Initial Capital, Index Venture, Credo Ventures</b>	Czech Republic	Gamee	n/d	n/d	n/d	Prague based start-up Gamee received 2.2 mil. USD from various angel investors such as Initial Capital, Index Ventures, Credo ventures. Gamee was founded in 2015 and so far, it offers up to 60 different mobile games. The service has more than 4 million active users and player retention of about 25 % after the first month. It doesn't sound as much, but keep in mind that most mobile applications and games lose between 80 – 90 % people after the first month
<b>Jet Investment AS</b>	Czech Republic	Benet Automotive s.r.o.	September 2017	n/d	100	"Jet Investment AS, a Czech Republic-based private equity firm, through its fund Jet 1 Fund, has acquired Benet Automotive s.r.o., a Czech Republic-based manufacturer of components for automotive industry, from Josef Zajicek, a Czech Republic-based private investor and BA Group s.r.o., a Czech Republic-based holding company, for an undisclosed consideration. The acquisition is in line with Jet Investment's investment strategy and expects to bring synergistic effect to its portfolio. Benet Automotive reported revenue of CZK 821m (EUR 30.44m) in 2016 and has a workforce of approximately 650 employees. It estimated revenue of just over CZK 1bn (EUR 38.34m) and EBITDA of around CZK 100m (EUR 3.83m) for the year ended 2017. Prior to the transaction, BA Group and Josef Zajicek held 90% and 10% stake in Benet Automotive respectively. The transaction has been approved by Czech Office for Protection of Competition in August 2017."
<b>Oriens Im Hungary Kft.</b>	Czech Republic	Imecon s.r.o.	April 2017	8	100	"Oriens Im Hungary Kft., the Hungary-based private equity firm, has acquired Imecon s.r.o., the Czech Republic-based company engaged in production, rent and sale of dwelling units, sanitary units, special containers and steel frames, for a minimum estimated consideration of CZK 200m (EUR 7.539m). The transaction values the purchase price at 5 times of Imecon's EBITDA. The purchase price is estimated to be in the range of CZK 200m (EUR 7.539m) to EUR 250m (EUR 9.42m). In 2015, Imecon generated annual revenues of CZK 342m (EUR 12.66m), EBITDA of CZK 45m (EUR 1.66m) and net profit of CZK 26m (EUR 0.96m)."
<b>M.L. Moran, a.s.</b>	Czech Republic	Knoflikarsky Prumysl Zirovnice A.S.	March 2017	n/d	80	"M.L. Moran, a.s., a Czech Republic-based private equity firm, has acquired 80% stake in Knoflikarsky Prumysl Zirovnice A.S. (KPZ), a Czech Republic-based producer of buttons and metallized plastic parts for automotive industry, from Mr. Jaroslav Stepan, Mr. Lubomir Karlin, and Mr. Vladimir Janu, the Czech Republic-based private individuals having interest in companies engaged in manufacturing automotive components, for an undisclosed consideration. In the year 2016 KPZ reported revenues of CZK 430m (EUR 16.35m). The company has workforce of 350 employees mainly engaged in manufacturing and molding plastics. Source Links: Patria Corporate Finance AS press release, 23 March 2017 Patria Corporate Finance AS press release, 23 March 2017 (Czech)"

PE House	Country	Company	Period	Est. Value EUR m	Stake	Deal description
<b>Rockaway Capital SE</b>	Czech Republic	Euromedia Group, a.s.	March 2017	n/d	n/d	"Rockaway Capital SE, a Czech Republic-based venture capital firm, has agreed to acquire Euromedia Group, a.s., a Czech Republic-based publishing company, from Arraviet s.r.o., Czech Republic-based investment holding firm having interest in publishing company, for an undisclosed consideration. The transaction will fulfil Rockaway's vision to bring forth online alternatives to traditional sectors. Mr Daniel Kretinsky and Mr Patrik Tkac have also financed the acquisition. Euromedia Group owns publishing brands such as Knizni Klub, Ikar and Universum. Prior in March 2014, Arraviet s.r.o. had acquired Euromedia Group from Bertelsmann AG for an undisclosed consideration. In 2015, Euromedia reported revenues of CZK 1.3bn (EUR 48m). The transaction is subject to approval by the Office for the Protection of Competition. UPDATE 12 April 2017: The transaction have been approved by the Office for the Protection of Competition. UPDATE 12 April 2017: Rockaway Capital SE has completed the acquisition of Euromedia Group, a.s. Source Links: Rockaway Capital SE press release, 20 March 2017 Rockaway Capital SE press release, 20 March 2017 (Czech)"
<b>Macquarie Group Limited</b>	Czech Republic	EP Infrastructure, a.s.	February 2017	1500	30	"A consortium of investors led by Macquarie European Infrastructure Fund 5, the UK-based fund of Macquarie Group Limited, an Australia-based listed private equity firm, have agreed to acquire 30% stake in EP Infrastructure, a.s. (EPIF), the Czech Republic-based company engaged in distribution of natural gas, providing power transmission services and operating underground gas storage facilities, from Energeticky a Prumyslový Holding, a.s., the Czech Republic-based company is a vertically integrated energy utility covering the complete value chain in the energy sector, for a minimum estimated consideration of EUR 1.5bn. The deal will benefit financially and strategically to all business segments of EPIF. Following the completion, remaining 70% stake will continue to be held by Energeticky. The deal is expected to complete in first quarter of 2017, and is subject to regulatory approvals. Earlier, Energeticky a Prumyslový Holding had planned for an IPO of EP Infrastructure, a.s. UPDATE 24 February 2017: The transaction has been completed. Source Link: Macquarie Group Limited press release, 17 October 2016 Energeticky a Prumyslový Holding, a.s. press release, 17 October 2016 Energeticky a Prumyslový Holding, a.s. press release, 24 February 2017"
<b>TA Associates Management, L.P.</b>	Czech Republic	Princip a.s.	February 2017	n/d	100	"W.A.G. payment solutions, a.s. (Eurowag), the Czech Republic-based provider of payment solutions for mobility within Europe and a portfolio company of TA Associates Management, L.P., the US-based private equity firm has acquired Princip a.s., the Czech Republic-based provider and developer of electronics and devices for road telematics which also operates from Slovakia, for an undisclosed consideration. The transaction includes purchase of Princip and its main supplier of front-end solutions, Hi software. The acquisition will enable Eurowag to offer the customers a high quality new level of security and comfort when managing and running the fleet. It will also enable Eurowag to strengthen its position as a leading provider of telematics services. The transaction will further help Princip to provide wide range of products and services in Czech as well as in foreign markets. Currently, Princip a.s. uses 4000 customers in more than 70,000 vehicles in Czech Republic and Slovakia, along with other countries of CEE region. In 2016, TA Associates Management, L.P. had acquired 33% stake in Eurowag. Eurowag is still majorly owned and controlled by its CEO, Mr. Martin Vohánka. Source Links: W.A.G. payment solutions, a.s. press release, 16 February 2017 W.A.G. payment solutions, a.s. press release, 16 February 2017 (Czech) Weinhold Legal press release, 20 February 2017 Merger Vision s.r.o. press release, February 2017"

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<b>Aakon Capital</b>	Czech Republic	Slechta s.r.o.	January 2017	n/d	n/d	"Aakon Capital, the Czech Republic-based private equity firm, along with the management of Slechta s.r.o., the Czech-Republic-based provider of technical and high gloss polishing, laser engraving, laser welding and surfacing services, has acquired the company from Miroslav Slechta, the Czech Republic-based private individual having interest in companies engaged in provision of technical and high gloss polishing, laser engraving, laser welding and surfacing services, for an undisclosed consideration. As a part of the transaction, Peter Koehler, the Managing Partner of Aakon and the management of Slechta have also participated to finance the transaction. The transaction will further expand Slechta's business in the CEE region. Post transaction, Miroslav Slechta, the CEO of Slechta will become member of Supervisory board of Slechta. Slechta reported revenues of EUR 3m and has workforce of 60 employees. Prior to this transaction, Miroslav Slechta held a 100% stake in Slechta."
<b>Apax Partners LLP</b>	Czech Republic	Aeskulab/Alpha medical, s. r. o.	n/d	n/d	n/d	"Unilabs SA, a Switzerland-based diagnostics company engaged in the provision of laboratory medicine and radiology services has agreed to acquire Alpha medical, s. r. o., a Slovakia-based company engaged in providing laboratory testing services, from Mid Europa Partners LLP, the UK-based private equity firm, for an estimated consideration of EUR 370m. Unilabs has an advanced technological know-how and a long-term strategic horizon will enable Alpha to improve the quality of medical care in the markets it serves. Unilabs primarily focused on organic growth, but the transaction marks the return of Unilabs in the growth through acquisitions space. The transaction diversifies Unilabs' presence by the entry into the Eastern Europe region. Alpha currently has over 1,550 employees. The acquisition is the largest healthcare transaction in Central Europe since 2008. This is also largest private equity exit in the Czech and Slovak markets since Mid Europa's sale of its stake in T-Mobile CZ in 2014. Prior to the sale, Mid Europa had invested over EUR 120m in Alpha. The transaction is subject to approval by regulatory authorities in Slovakia and the Czech Republic. It is expected to be complete in the second quarter of 2017. In December 2012, Mid Europa Partners LLP had acquired Alpha medical, s. r. o. from Penta Investments Limited, the Czech Republic based private equity firm, for an undisclosed consideration. In December 2016, Apax Partners LLP had acquired Unilabs SA. UPDATE 20 April 2017: The transaction has obtained regulatory authorities' approval in the Czech Republic and Slovakia and therefore, has completed. Source Links: Mid Europa Partners LLP press release, 09 February 2017 Unilabs SA press release, 09 February 2017 Unilabs SA press release, 20 April 2017"
<b>Incomming ventures</b>	Czech Republic	Flatio	n/d	n/d	n/d	Czech start-up Flatio received funding from the investment fund Incomming Ventures. However, specific sum that Flatio received has not been announced. Nevertheless, this is the second major fund injection in the last twelve months. Early last year, a minority share of Flatio has been bought by the financial group Enern. These investments mean that Flatio will have enough funding for the planned expansion of activities throughout Europe.
<b>BlueYard Capital</b>	Czech Republic	SpaceKnow	n/d	n/d	n/d	Czech start-up Spaceknow received funding from investment group SPaceKnow. Total investment is 5.5 mil. USD.

PE House	Country	Company	Period	Est. Value EUR m	Stake	Deal description
<b>RSJ Private Equity / SkyLimit Industry</b>	Czech Republic	STS Olbramovice, spol. s r.o.	n/d	n/d	n/d	"SkyLimit Industry, investicni fond s promennym zakladnim kapitalem, a.s., the Czech Republic-based investment fund and RSJ Private Equity investicni fond s promennym zakladnim kapitalem, a.s., the Czech Republic-based private equity firm, through its fund RSJ Investments SICAV a. s., has acquired STS Olbramovice, spol. s ro, a Czech Republic-based manufacturer of cattle feeders and other farm machinery, from Vladimir Jehlicka, a Czech Republic-based private individual having interest in manufacturer of cattle feeders and other farm machinery, for an undisclosed consideration. As part of the transaction, UniCredit Group provided debt. SkyLimit plans to keep its holdings for the long term. The transaction will provide STS with a strategic investor and enable STS management to make major decisions. STS has a worforce of 90 employees and generated a revenue of EUR 5m and EBITDA of EUR 0.5m in 2016. Source Link: SkyLimit Industry, investicni fond s promennym zakladnim kapitalem, a.s. press release, January 2017 (Czech)"

PE House	Country	Company	Period	Est. Value EUR m	Stake	Deal description
<b>R2G</b>	Czech Republic	Pegas Nonwovens s.r.o.	n/d	n/d	78	<p>R2G Rohan Czech s.r.o. has launched a voluntary tender offer to acquire the remaining 89.17% stake in Pegas Nonwovens s.r.o.</p> <p>R2G Rohan Czech s.r.o. (R2G) is a Czech Republic-based investment holding company owned by the Slemr family foundation, and software pioneers and entrepreneurs, Eduard Kucera and Pavel Baudis.</p> <p>Pegas Nonwovens s.r.o. (Pegas), a listed Czech Republic-based company headquartered in Znojmo, is engaged in the production of nonwoven fabrics.</p> <p>Terms: R2G will acquire the remaining Pegas shares, representing an 89.17% stake, at an offer price of CZK 1,010 (EUR 38.76) per share. Based on 8,763,859 Pegas outstanding shares, the transaction is valued at CZK 7.892bn (EUR 302.882m). The offer price is at a premium of 8.2% over Pegas' closing price of CZK 935.10 (EUR 35.83) per share as on 14 July 2017, a day prior to the announcement, and at a premium of 12.2% over Pegas' closing price of CZK 905.1 (EUR 34.55) per share as on 16 June 2017, the last trading day a month prior to the announcement. The implied equity value of the transaction is CZK 8.851bn (EUR 339.689m). The offer is open from 25 August 2017 to 25 September 2017.</p> <p>Financing: R2G will fund the acquisition through loans granted by its shareholders Mr. Eduard Kucera and Mr. Pavel Baudis.</p> <p>Rationale: R2G will support the strategic growth of Pegas in Europe and other continents. R2G will help Pegas to grow in the long term by accumulating cash to undertake acquisitions in the nonwovens sector.</p> <p>Post deal details: On completion of the offer period, if R2G owns a total of at least 95% stake in Pegas, the former will be entitled to squeeze out or cancel all the remaining shares not tendered in the offer.</p> <p>Conditions: Approval from the Czech National Bank</p> <p>Background: R2G Rohan already holds a 10.83% stake in Pegas. WOOD &amp; Company Financial Services a.s. S.A, a Poland-based company engaged in providing financial advisory services, owns a 26.62% stake in the Pegas. The transaction was unanimously supported by the board of directors of Pegas.</p> <p>UPDATE 11 October 2017: The acceptance period of the bid has expired, and R2G Rohan has acquired only 6,806,100 shares of Pegas Nonwovens s.r.o. representing a 77.66% stake of the company on 09 October 2017. After the expiry of the acceptance period, R2G Rohan did not acquire any of the Shares outside the bid.</p> <p>Source Links:</p> <p>Pegas Nonwovens s.r.o. press release, 18 July 2017</p> <p>Pegas Nonwovens s.r.o. press release, 18 July 2017 (Polish)</p> <p>R2G Rohan Czech s.r.o. Offer Document, 26 July 2017</p> <p>R2G Rohan Czech s.r.o. Offer Document, 26 July 2017 (Czech)</p> <p>Pegas Nonwovens s.r.o. press release, 14 August 2017</p> <p>Pegas Nonwovens s.r.o. press release, 14 August 2017 (Polish)</p> <p>Pegas Nonwovens s.r.o. stock exchange announcement, 11 October 2017</p> <p>Pegas Nonwovens s.r.o. annual report Income Statement</p> <p>Pegas Nonwovens s.r.o. half yearly report Balance Sheet</p>
<b>Consilium</b>	Czech Republic	OKIN BPS, a.s.	n/d	n/d	30	<p>Tomas Nemeč, a Czech Republic-based private individual having interest in companies operating ski resorts through its fund Consilium, has acquired 30% stake in OKIN BPS, a company which is delivering IT services for businesses.</p>

PE House	Country	Company	Period	Est. Value EUR m	Stake	Deal description
<b>Consilium</b>	Czech Republic	Biovendor	n/d	n/d	n/d	<p>"Tomas Nemeč, a Czech Republic-based private individual having interest in companies operating ski resorts through its fund Consilium, has acquired 60% stake in BioVendor - Laboratorni medicina a.s., a Czech Republic-based company engaged in developing, manufacturing, and distributing medical equipment and medical research products to scientific institutions, from Viktor Ruzicka, a Czech-Republic based private individual having interest in companies engaged in developing, manufacturing, and distributing medical equipment and medical research products to scientific institutions, for a consideration CZK 1bn (EUR 37.82m). BioVendor's turnover was over CZK 1bn (EUR 37.03m) in year 2016."</p>
<b>Rockaway Capital SE</b>	Czech Republic	Neoluxor	n/d	n/d	n/d	<p>"Euromedia Group, a.s., the Czech Republic-based publishing company and a portfolio of Rockaway Capital SE, the Czech Republic-based venture capital firm, has agreed to acquire Neoluxor, s.r.o., the Czech Republic-based chain of book shops, from Central European Books, s. r. o., a Slovakia-based media company, for an undisclosed consideration. The acquisition will enable Euromedia to expand its presence and enhance its position in the area of store branches. The transaction is subject approval from the Office for the Protection of Competition. Neoluxor operates a chain of 26 book stores.</p> <p>In 2010, Central European Books had acquired Neoluxor from Messrs Jiri Jirasek, Jan Kolator and Michal Suchanek, the Czech private investors. In 2014, there was a plan to merge Neoluxor with Arraviet s.r.o., the Czech Republic-based books retailer, which in turn had acquired Euromedia Group from Bertelsmann AG (Bertelsmann), the listed Germany based company engaged in the production, servicing and marketing of media content. In March 2017, Arraviet sold Euromedia Group to Rockaway Capital.</p> <p>UPDATE 24 November 2017: The transaction has been approved by the Office for the Protection of Competition and is now complete."</p>
<b>C2H Private Equity s.r.o.</b>	Czech Republic	Pietro Filipi, s.r.o.	n/d	n/d	80	<p>"C2H Private Equity s.r.o., a Czech Republic-based investment holding company having interest in the companies engaged in manufacturing bicycles, and retailing of clothes and apparels, has acquired 90% stake in Kara Trutnov, a.s., a Czech Republic-based manufacturer and retailer of leather clothing from Mr. Zdenek Rinth, a Czech Republic-based individual having interest in companies engaged in clothes and apparels, for an undisclosed consideration.</p> <p>Post-acquisition, Mr. Zdenek, the owner of the company, will hold the remaining 10% stake and continue to act as the operating manager. Kara will be part of Pietro Filipi. C2H will work on improving communication, launching an e-shop, building online channels, and expanding Kara globally. In 2017, Kara generated a turnover of CZK 365m (EUR 14.3174m) and CZK 345m (EUR 12.7913m) in 2016."</p>
<b>BHS Private equity</b>	Czech Republic	Zoot B.V.	n/d	n/d	n/d	<p>BHS Fund II., fund managed by BHS private equity acquired 5.13% share in Czech base apparel e-tailer Zoot B.V. for undisclosed amount.</p>

PE House	Country	Company	Period	Est. Value EUR m	Stake	Deal description
<b>Bohemia Industry a.s.</b>	Czech Republic	PAPCEL, a.s.	n/d	n/d	50	"Bohemia Industry a.s., the Czech-republic investment holding company having interest in companies engaged in the manufacture of machinery for the paper industry, has acquired 50% stake in PAPCEL, a.s., the Czech Republic-based manufacturer of machinery for the paper industry, from VEGA-HSH, SPOL. S R. O., the Czech Republic-based investment firm, for an undisclosed consideration. The proceeds from the sale will be utilized by PAPCEL for its business expansion. Post acquisition, VEGA-HSH will hold 50% stake in PAPCEL. VEGA-HSH is owned by David Dostal, CEO of PAPCEL, whereas Bohemia Industry, a.s. is owned by Tomas Krsek. PAPCEL reported revenues of CZK 1.5bn (EUR 55.614m) and EBITDA of around CZK 100m (EUR 3.71m) in 2016 with a workforce of 420 employees. In July 2008, EK Mittelstandsfinanzierungs AG, the Austria-based private equity firm along with David Dostal, had acquired the company, in a management buyout transaction, for an undisclosed consideration. Under the agreement, David Dostal acquired 66% stake while Mittelstandsfinanzierungs acquired 34% stake in the company. Later in December 2013, David Dostal acquired 34% stake from EK Mittelstandsfinanzierungs."
<b>Credo Ventures</b>	Czech Republic	Cera	n/d	n/d	n/d	Credo Ventures a venture capital firm that focuses on early stage companies in Central and Eastern Europe across the information technology, internet, mobile and healthcare markets invested into Cera, CZ/UK medtech start-up.
<b>Credo Ventures</b>	Czech Republic	Price f(x)	n/d	n/d	n/d	Price f(x), a Pricing Optimization Software company with operations in Central Europe, US and Asia closed a funding round from Prague-based Credo Ventures, and London-based Talis Capital. They managed to crowdfund 4m EUR.

## 2017 Czech PE/VC investments in portfolio companies abroad

PE House	Country	Company	Period	Est. Value EUR m	Stake	Deal description
<b>Inven</b>	France	Vulog	n/d	n/d	n/d	"Frog Capital Ltd., the UK-based venture capital and private equity firm; Inven Capital, a Czech Republic-based private equity and venture capital arm of CEZ as, a listed Czech Republic-based company engaged in the production of electricity; Bpifrance SA, a France-based principal investment firm; and Environmental Technologies Fund (ETF), the UK-based venture capital firm, have acquired an undisclosed stake in Vulog SA, a France-based provider of inn-car technology and a modular software platform for car sharing services, for a consideration of USD 20m. The proceeds from the transaction will be used to strengthen the leadership of Vulog in the mobility space, to enhance its sales and marketing teams and for the further growth of its technology. The transaction will accelerate Vulog's operations in North America. It will allow Vulog to expand its business worldwide and hire some employees in the next 3 months. Earlier in September 2015, ETF, Turenne Capital Partenaires, Paca Investissement, Bpifrance, CPG Finance and FCPR Ecotechnologies acquired an undisclosed stake in Vulog, for EUR 8.4m. Vulog has offices in Paris, Nice, Vancouver, and Toronto, and will open its first US office in San Francisco, California in September 2017. Source Links: Vulog SA press release, 29 August 2017 Bpifrance SA press release, 29 August 2017 (French) CEZ as press release, 29 August 2017 CEZ as press release, 29 August 2017 (Czech) Environmental Technologies Fund press release, 30 August 2017 Frog Capital Ltd. press release, 04 September 2017"
<b>Inven</b>	Germany	Cloud&Heat	n/d	n/d	n/d	Inven, a CEZ subsidiary invested in CLOUD&HEAT, a provider of OpenStack-based public and private cloud solutions
<b>RSBC PRIVATE EQUITY CZ A.S.</b>	Slovenia	Arex d.o.o. SENTJERNEJ	n/d	n/d	n/d	"RSBC PRIVATE EQUITY CZ A.S., a Czech Republic-based private investment group, has acquired Arex d.o.o. SENTJERNEJ, a Slovenia-based firearm maker, from Mr. Ivan Kralj, a Slovenia-based private investor, for an undisclosed consideration. The transaction will enable RSBC to expand its presence outside Czech Republic and the new segment will enable it to spread the business risk. It will also enable RSBC to diversify its portfolio with the addition of new fields of industry, especially precision engineering and technologies. The acquisition will help Arex in its further development, which will boost its team of experienced R&D engineers. It will support the strategic expansion of Arex business and will support the R&D and business activities. Pursuant to the acquisition, Mr. Ivan, along with the management of Arex, will retain their respective positions. Arex has reported annual revenue of approximately EUR 20m in 2016 and has a workforce of 120 employees. Source Links: RSBC PRIVATE EQUITY CZ A.S. press release, 14 December 2017 RSBC PRIVATE EQUITY CZ A.S. press release, 14 December 2017 (Czech)"
<b>Jet Investment AS</b>	Germany	Eberhard Hoeckle GmbH	n/d	n/d	n/d	"Jet Investment AS, the Czech Republic-based private equity firm, has acquired Eberhard Hoeckle GmbH, the Germany-based manufacturer of precision parts for the automotive industry, for an undisclosed consideration. Under the terms, Jet has taken over the German site of Hoeckle located in Moessingen region, Austrian site in Langeneegg and 400 employees of the company. Hoeckle reported revenues of around EUR 70m in 2016. In May 2017, Hoeckle had filed for insolvency. Source Links: Grub Brugger & Partner press release, 10 May 2017 (German) Grub Brugger & Partner press release, 16 November 2017 (German)"

PE House	Country	Company	Period	Est. Value EUR m	Stake	Deal description
<b>Hartenberg Capital, s.r.o.</b>	Poland	Avia Prime SA (50% Stake)	n/d	n/d	n/d	"Hartenberg Capital, s.r.o., a Czech Republic-based private equity firm has agreed to acquire a 50% stake in Avia Prime SA, a Poland-based provider of base and line MRO services, for an undisclosed consideration. The acquisition is in line with Hartenberg strategy to focus on MRO services while building and increasing its market position in European market. Avia is a sole owner of Linetech S.A. and Adria Airways Tehnika d.d. (AAT), the providers of base and line MRO services. Earlier in 2015, Linetech acquired AAT for a consideration of EUR 2m. Avia has a workforce of 700 employees. The transaction is subject to the approvals of respective competition offices. Source Link: Hartenberg Capital, s.r.o. press release, 14 November 2017"
<b>BHS Private equity</b>	Slovakia	PRP s.r.o.	n/d	n/d	n/d	BHS Private equity, Czech PE fund acquired PRP s.r.o., a Slovak company engaged in processing coniferous logs, production of high quality certified fresh and dried structural timber used mainly in the construction industry.
<b>Credo Ventures</b>	Slovakia	Sensoneo	n/d	n/d	n/d	Credo Ventures, a venture capital firm that focuses on early stage companies in Central and Eastern Europe across the information technology, internet, mobile and healthcare markets, invested into Sensoneo, a company that provides both cities and businesses with analytics that can be used for data-driven decision making in the optimization of waste collection routes, pick-up frequencies, and vehicle loads.
<b>Credo Ventures</b>	Poland	Displate	n/d	n/d	n/d	Credo Ventures, a venture capital firm that focuses on early stage companies in Central and Eastern Europe across the information technology, internet, mobile and healthcare markets, invested 2 mil. EUR into Displate, a company which is focused in metal posters.
<b>Credo Ventures</b>	Hungary	PublishDrive	n/d	n/d	n/d	Credo Ventures a venture capital firm that focuses on early stage companies in Central and Eastern Europe across the information technology, internet, mobile and healthcare markets, invested into Publishdrive, a company involved in technology and publishing.
<b>Credo Ventures</b>	Romania	UiPath	n/d	n/d	n/d	Credo Ventures, a venture capital firm that focuses on early stage companies in Central and Eastern Europe across the information technology, internet, mobile and healthcare markets, invested into UiPath, a company involved in technology and automation. Total value of investment from Credo Ventures is 8m USD, which makes it the biggest portfolio investment of Credo Ventures.
<b>Credo Ventures</b>	Slovakia	Photoneo	n/d	n/d	n/d	Credo Ventures, a venture capital firm that focuses on early stage companies in Central and Eastern Europe across the information technology, internet, mobile and healthcare markets, invested into Photoneo, a Slovak-based pioneer in the field of 3D object sensing.
<b>Credo Ventures</b>	Hungary	SignAll	n/d	n/d	n/d	Credo Ventures, a venture capital firm that focuses on early stage companies in Central and Eastern Europe across the information technology, internet, mobile and healthcare markets, invested into SignAll, a Hungary-based start-up, which focuses on automatic sign language translation.
<b>Credo Ventures</b>	Croatia	Oradian	n/d	n/d	n/d	Credo Ventures, a venture capital firm that focuses on early stage companies in Central and Eastern Europe across the information technology, internet, mobile and healthcare markets, invested into Oradian, a Croatian startup involved in fintech.



## 2017 PE/VC exits from Czech portfolio companies

Company	Seller	Buyer	Date	Value EUR m	Stake	Deal description
<b>KVK Holding a.s.</b>	ARX Equity Partners	Sika AG	September 2017	n/d	n/d	<p>"Sika AG, the listed Switzerland-based manufacturer of speciality chemicals that include concrete admixtures, specialty mortars, sealants and adhesives, damping and reinforcing materials, structural strengthening systems, industrial flooring as well as roofing and waterproofing systems has agreed to acquire Krkonosske vapenky Kuncice A.S. (KVK) Czech Republic-based manufacturer of waterproofing and roofing systems as well as a wide range of mortar products, from ARX Equity Partners, the Czech Republic-based private equity firm, for an undisclosed consideration.</p> <p>The acquisition will strengthen Sika's production platform and expand its geographical footprint in the growing Czech market. The product portfolio of KVK is highly complementary to Sika's and will allow the combined businesses to offer a comprehensive range of systems for the construction industry. KVK's strong relationships with major builders' merchants will allow Sika to enhance its presence in the Czech market. The acquisition will provide Sika with manufacturing expertise for waterproofing and insulation solutions.</p> <p>In 2010, KVK was acquired by ARX from Michael Thomas Stastny. KVK operates six production sites, three for the manufacture of mortar products, two for bituminous membranes and one for expanded polystyrene insulation (EPS) for Building Envelope solutions. In 2016, KVK generated revenues of CHF 42m (EUR 39.19m). The transaction is subject to approval by anti-trust authorities.</p> <p>UPDATE 05 October 2017: Sika AG has completed the acquisition of Krkonosske vapenky Kuncice A.S. from ARX Equity Partners."</p>
<b>Manag a.s.</b>	ARX Equity Partners	Multicraft Group	August 2017	n/d	100	<p>"Multicraft Group SE, the Czech Republic-based group of engineering and manufacturing companies which focus on an energy, chemical and petrochemical industry, has acquired MANAG a.s., the Czech Republic-based company that designs, engineers, installs, maintains and services instrumentation and control systems and heavy electrical installations, from ARX Equity Partners, the Czech Republic-based private equity firm, for an undisclosed consideration.</p> <p>The acquisition will enable Multicraft to expand its design, software and implementation capacities. The transaction will enhance Manag to provide comprehensive services to its customers. In June 2011, Arx Equity along with the external management team and internal management of Manag, had acquired the company, in a management buyout transaction, for a consideration of EUR 25m."</p>
<b>Apiary</b>	Credo Ventures	Oracle		n/d	n/d	<p>"Oracle Corporation, the listed US-based software company engaged in the development, manufacture, distribution, servicing, and marketing of database, middleware, and application software, has agreed to acquire Apiary Inc, the US-based company that develops application programming interface (API) integration cloud, from a group of vendors, for an undisclosed consideration.</p> <p>Through the transaction will enable Oracle to offer its customers advanced capabilities to design and govern API's, allowing companies to manage the entire API lifecycle and deliver integrated applications. Oracle and Apiary will help companies thrive in the digital economy by comprehensively managing connectivity complexity and API proliferation.</p> <p>Post transaction, operations of Apiary will continue as it is and its products will continue to be offered to other companies. In August 2015, Apiary completed a USD 6.8m Series A round of funding led by Flybridge with participation from Baseline Ventures and Credo Ventures.</p> <p>UPDATE 10 February 2017: Oracle Corporation has completed the acquisition of Apiary Inc."</p>

Company	Seller	Buyer	Date	Value EUR m	Stake	Deal description
<b>Moravia IT s.r.o.</b>	Clarion Capital Partners, LLC	RWS Holdings Plc	November 2017	272	100	<p>"WS Holdings Plc has agreed to acquire Moravia IT s.r.o. from Clarion Capital Partners, LLC.</p> <p>RWS Holdings Plc, a listed UK-based company headquartered in Chalfont Saint Peter, is engaged in providing intellectual property support services.</p> <p>Moravia IT s.r.o., a Czech Republic-based company headquartered in Brno, is a provider of translation, localization, and testing services.</p> <p>Clarion Capital Partners, LLC, the US-based company headquartered in New York, is a private equity firm.</p> <p>Terms: RWS will pay a cash consideration of USD 320m, subject to certain purchase price closing adjustments. The consideration includes approximately USD 10m of surplus working capital and approximately USD 14m of transaction costs.</p> <p>Financing: The consideration is intended to be funded by an approximate GBP 185m cash placing of new ordinary shares in the capital of RWS (Placing) and a new USD 160m 5-year term loan (New Facility).</p> <p>Rationale: The acquisition provides RWS growth opportunities including increasing share of wallet with its old clients, winning new clients, introducing complementary solutions and growing new verticals and geographies. It is expected to be highly and immediately earnings enhancing for RWS shareholders.</p> <p>The addition of Moravia will prove to a fit alongside RWS's existing intellectual property and life sciences services. The transaction also provides both RWS and Moravia additional market opportunities including the potential cross-selling of patent translation services to Moravia's clients.</p> <p>It further diversifies RWS into an attractive adjacent market and strengthens its global operating base.</p> <p>Moravia will be run by its current team as an autonomous division and report to the RWS Board. Tomas Kratochvil, Moravia CEO, is expected to be invited to join RWS Board in Q2 2018. Expected Completion: The acquisition is expected to close in November 2017.</p>

Company	Seller	Buyer	Date	Value EUR m	Stake	Deal description
<b>RIO Media a.s.</b>	Argus Capital Group Limited	Kaprain Industrial Holding Limited	September 2017	n/d	100	<p>"Kaprain Industrial Holding Limited, a Cyprus-based investment holding company, has agreed to acquire RIO Media a.s., a Czech Republic-based CATV operator engaged in providing video, internet and voice services, from Argus Capital Group Limited, the UK-based private equity firm, for an undisclosed consideration.</p> <p>The acquisition will enable Kaprain to expand its operations in Czech Republic's pay-TV market, and with this acquisition, it will now have operation serving more than 200,000 households. Post completion, RIO will be merged with BKS Cable Ltd. (doing business as Nej.cz). The transaction was carried out through an auction process.</p> <p>RIO Media was established by Argus Capital in 2008. The transaction is subject to approval of Office for Protection of Competition.</p> <p>UPDATE 25 September 2017: Kaprain has completed the acquisition of RIO Media."</p>
<b>Slevomat.cz, s.r.o.</b>	Enern	Secret Escapes Limited	August 2017	57.49		<p>"Secret Escapes Limited, the UK-based company that operates a private sale website for travel, has agreed to acquire Slevomat.cz, s.r.o., the Czech Republic based online retailer that offers discounts for mass purchases, from Enern Czech s.r.o., the Czech Republic-private equity firm, Milton CZ, s.r.o., the Czech Republic-based investment company investing in consumer internet companies in Europe, and In-Bridge B.V., the Netherlands-based holding company, for an estimated consideration of CZK 1.5bn (EUR 57.49m).</p> <p>Under the terms, Secret Escapes will acquire Slevomat along with its Slovak branch Zlavomat.sk and Czech sales price aggregator Skrz.cz. The transaction will help Slevomat in its next phase of growth and development. Prior to the transaction, Milton held 55.5% stake in Slevomat.cz, while Enern together with Mr. Tomas Cupr held 36% and In-Bridge held 8.5%. In 2016, Slevomat.cz was visited daily by 200,000-300,000 visitors and sold services of approximately CZK 2bn (EUR 76.6m)."</p>
<b>AG FOODS Group a.s.</b>	Avallon Sp. z o.o.	Orestes Zukowski & Jiri Jizdny	May 2017	n/d	Majority stake	<p>"Mr. Jiri Jizdny and Mr. Orestes Zukowski, the Czech Republic-based private individuals having interest in companies that develop, produce and distribute instant drink mixtures, have acquired an undisclosed majority stake in AG FOODS Group a.s., the Czech Republic-based company that develops, produces, and distributes instant drink mixtures, from Avallon MBO Fund I, the Poland-based fund of Avallon Sp. z o.o., the Poland-based private equity firm.</p> <p>Mr. Jizdny and Mr. Zukowski are also the Chairmen of AG FOOD's Management Board and supervisory Board, respectively. In 2010, AG FOODS was acquired by Avallon in a management buyout transaction, for an undisclosed consideration, in which Mr. Zukowski got 5% stake in the company.</p> <p>For the year ended 31 December 2016, AG FOODS generated revenue of almost PLN 150m (EUR 34.13m) and a PLN 14m (EUR 3.18m) of EBITDA."</p>

Company	Seller	Buyer	Date	Value EUR m	Stake	Deal description
<b>Aeskulab/Alpha medical, s. r. o.</b>	Mid Europa Partners LLP	Apax Partners LLP	February 2017	370		<p>"Unilabs SA, a Switzerland-based diagnostics company engaged in the provision of laboratory medicine and radiology services has agreed to acquire Alpha medical, s. r. o., a Slovakia-based company engaged in providing laboratory testing services, from Mid Europa Partners LLP, the UK-based private equity firm, for an estimated consideration of EUR 370m.</p> <p>Unilabs has an advanced technological know-how and a long-term strategic horizon will enable Alpha to improve the quality of medical care in the markets it serves. Unilabs primarily focused on organic growth, but the transaction marks the return of Unilabs in the growth through acquisitions space. The transaction diversifies Unilabs' presence by the entry into the Eastern Europe region.</p> <p>Alpha currently has over 1,550 employees. The acquisition is the largest healthcare transaction in Central Europe since 2008. This is also largest private equity exit in the Czech and Slovak markets since Mid Europa's sale of its stake in T-Mobile CZ in 2014. Prior to the sale, Mid Europa had invested over EUR 120m in Alpha. The transaction is subject to approval by regulatory authorities in Slovakia and the Czech Republic. It is expected to be complete in the second quarter of 2017. In December 2012, Mid Europa Partners LLP had acquired Alpha medical, s. r. o. from Penta Investments Limited, the Czech Republic based private equity firm, for an undisclosed consideration. In December 2016, Apax Partners LLP had acquired Unilabs SA.</p> <p>UPDATE 20 April 2017: The transaction has obtained regulatory authorities' approval in the Czech Republic and Slovakia and therefore, has completed."</p>

## 2017 CEE fund raising

Company	Fund	Value (EUR m)	Status	Time	Description
<b>CVC Capital Partners</b>	CVC Capital Partners VII	15,500	Closed	June 2017	CVC Capital Partners ("CVC") closed CVC Capital Partners VII ("Fund VII"), its latest flagship fund for private equity investments in Europe and North America. The fund closed with a hard cap of €15.5 billion. Together with the commitments of CVC and its employees, Fund VII will have over €16 billion of equity capital available to invest.
<b>Espira</b>	Espira Fund I	30			ESPIRA Investments, a new private equity set up to make growth investments in central European SMEs, has reached a first close on its €30m debut fund. Espira Fund I has received support from from Horizon 2020, the EU's research and innovation programme, the European Fund for Strategic Investments (EFSI) and the EIF. Family offices and locally-based entrepreneurs have also backed the fund.

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