

CVCA
ANNUAL MEMBERSHIP MEETING

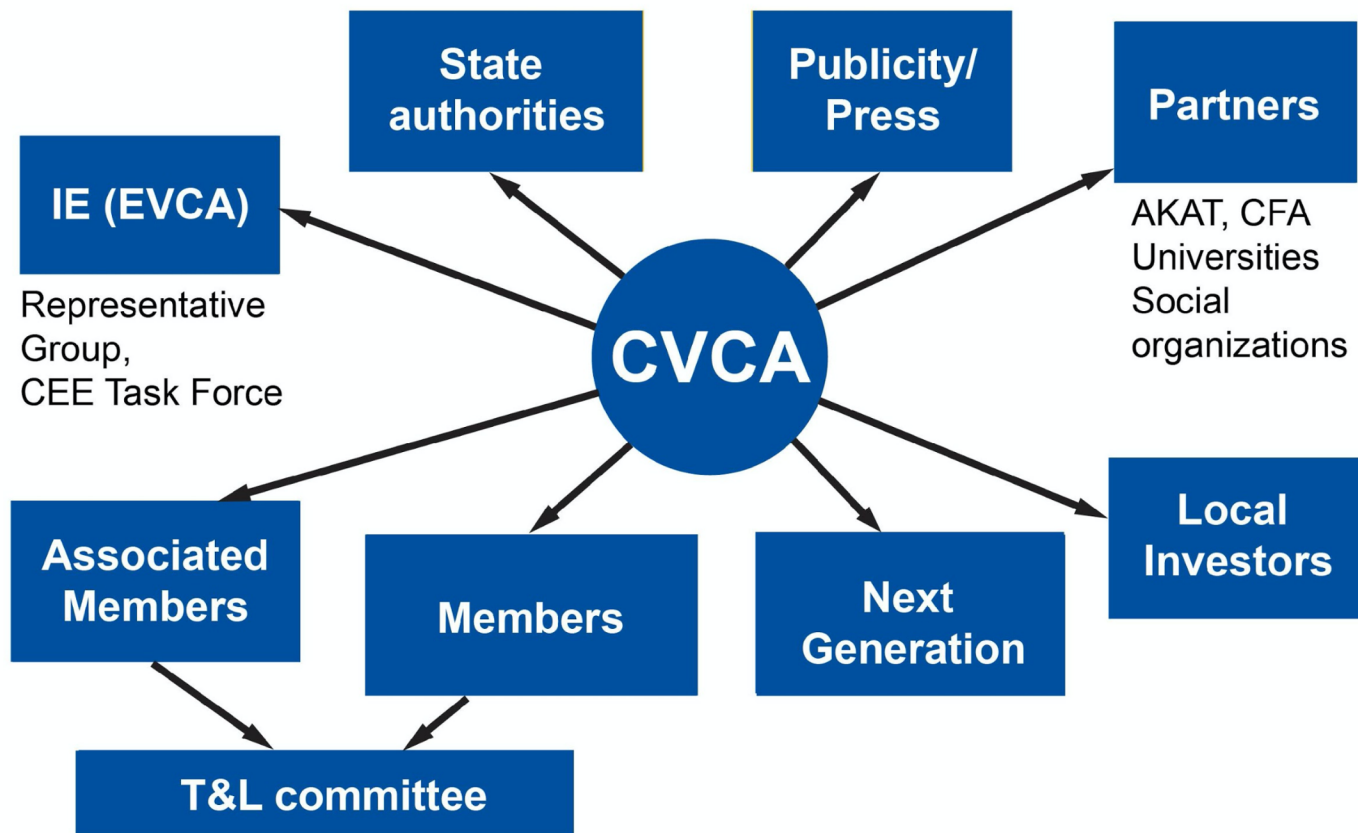
11.06.2020

- Report on Association's activities since the last Membership Meeting, 2019 accounts
- Tax & Legal Committee's Activity Report
- Proposal of the Plan of activities for 2020 and the budget for 2020
- Discussion
- Approval of the Report on Association's activities, the 2019 accounts and the budget for 2020
- Change in the Association's Board of Directors - Election of a new member
- Closing

Zuzana Picková, CEO

**Report about CVCA Activities
(March 2019 - June 2020)**

CVCA Activities: Overview



Panel discussions, mixers and other events

- March 2019: **Annual meeting**, PE/VC Mixer - The Grand Mark Hotel
- May 2019: **M&A Insurance Workshop** (in cooperation with JŠK, Renomia and Tokio Marine HCC)
- October 2019: **Fund financing: Czech and CEE experience and trends** (in cooperation with JŠK)
- November 2019: **Succession: Deal sourcing for PE funds** (in cooperation with KPMG) - The Grand Mark Prague
- December 2019: **Christmas Celebration** - Jazz Dock
- February 2020: **The Czech Venture Capital and Private Equity 2019 highlights** (in cooperation with Deloitte) – Hotel Carlo IV.

November 2019

Succession: Deal sourcing for PE funds



- **Liberation package and its impacts on the PE / VC scene**
Speaker: Jana Pytelková Svobodová, Head of Tax, ASB
- **Financing in current market conditions**
Speakers: Jan Linda, Tomáš Jíně, Partners, White&Case
- **Impacts of Covid-19 on employers and current compensations**
Speaker: Mgr. Klára Valentová, Counsel, Vilímková, Dudák & Partners
- **Impacts of Covid-19 on contractual relationships and their solutions**
Speakers: Veronika Vaněčková a Vladimír Polách, Senior Associates, Squire Patton Boggs)
- **Electronic signatures: New opportunity in Covid-19 times and afterwards**
Speakers: Michal Jašek, Daniela Benčová a Martin Urban, Clifford Chance
- **HR and hiring in the times of Covid-19 and after**
Speakers: Marek Huml, Managing Partner, Stanton Chase, Petra Sochorová, Counsel, Havel & Partners)

- **Hack the Crisis:**

Communication with state authorities regarding personal support for “Hack the Crisis” project, contacting VC community (both members and non-members) to help with mentoring and assessing projects, cooperation with COVID19CZ (Data proti Covid) group

- **Web site:**
 - New web site launched in January 2020
 - Current news about CVCA events, information from our members, newsletters, market surveys, statistics, videos
- **LinkedIn**
 - Profile active since February 2020
- **Newsletters:**
 - Information about events, deals, CVCA activities in relation to public authorities, Invest Europe activities, news from members, news from PE/VC sector, interviews with GPs managers
 - 4 times / year
- **1:1 meetings**
 - With potential/new members and with full/associated members on selected issues
 - With state authorities' representatives, Invest Europe and NVCAs representatives

- **Newsletters:**
Keep the current format of the Newsletter 4 times per year
- **LinkedIn:**
Increase the number of followers, regular activity
- **1:1 meetings**
Continue with potential/new members and with full/associated members on selected issues, and with state authorities' representative

Radil Stefovski

NEXT GENERATION

Next Generation: Key developments

- 1) **2019 was a record year for NextGen** – 9 events organized, significant growth in popularity and attendance
- 2) **The partnership with Deloitte worked very well** – the partnership includes dedicated NextGen team and sponsorship of events, 8 events organized in 2019 (4 educational and 4 social events)
- 3) **New partnership with PwC** - includes dedicated NextGen team and sponsorship of events, 2 events organized in total (1 in 2019 and 1 in 2020)
- 4) **New partnership with CMS** - includes dedicated NextGen team and sponsorship of events, plan is to organize 1 event during 2020

Next Generation: Events in cooperation with Deloitte

1) Let's break the ice together – social event, February, CURLING ARÉNA

2) Kick off – social event, February, Studentský klub Celetná

3) IPOs in the Czech republic – educational event, March, Deloitte's offices

Speakers: Mr. Kotrba (Deloitte), Ms. Svobodová (White & Case),
Mr. Koblic (Prague Stock Exchange), Mr. Burda (Roklen),
Mr. Kodytek (Deloitte)

Topics: IPOs in the Czech Republic, alternative segment, examples

4) Bowling – social event, April, Bowling Celnice

5) START-UPS from inside – educational event, May, Deloitte's offices

Speakers: Mr. Svoboda (Kiwi), Mr. Vejdovec (Twisto), Mr. Bartos
(Credo Ventures), Ms. Cermakova (Deloitte)

Topics: What it takes to start a Start-Up, examples, tips & tricks

6) Volleyball – social event, took place in August at Žluté lázně

7) Private Equity Night I

- educational event, October 2019, Deloitte's offices

Speakers: Mr. Vicar (Genesis), Mr. Aron (ARX), Mr. Ševc (Deloitte)

Topics: Attributes of the best and worst deals, future of PE market

8) Private Equity Night II

- educational event, November 2019, Deloitte's offices

Speaker: Mr. Wardrop (ARX)

Topics: Evolution of the Czech PE market, advice to young professionals

Due diligence process in practice

- traditional series of 3 seminars in autumn
- open to Next Generation members
- Financial DD, Legal & Tax DD, Case Studies
- Ondřej Vičar (Genesis Capital) and Emília Mamajová (ESPIRA INVESTMENTS)

1. Investor regulation
2. Invest Europe / NVCAs
3. Other activities (TLC)

- Activities in connection with implementation of the National Strategy for the Development of the Capital Market in the Czech Republic 2019 – 2023 (Koncepte rozvoje kapitálového trhu ČR 2019-2023):
 - meetings with representatives of MF, AKAT, Burza Cenných Papírů
 - commenting on first proposals of the new legislation
- Continuous activity focused on ways to facilitate the PE as an asset class of allowed assets for Czech pension funds, discussions on this topic with MF representatives

Covid-19 impact

- Intense communication with other NVCAs and IE, distribution to the Czech representatives (Ministry of Finance, Czech Permanent Representation in Brussels, CZ MEPs) of the letter of Invest Europe on the role of PE/VC, potential impact to the PE/VC industry and the role of PE/VC in the times of crisis
- Sharing information with NVCAs regarding state aid regulations implemented by national governments
- Sharing information with NVCAs regarding potential (negative) risks for PE/VC in certain countries mostly in connection with limitation of state aid for groups of companies where PE/VC portfolio companies are considered to form one group and thus, not entitled to any subsidies

- **MEP meetings:**
Meeting with Mr. Ondřej Kovařík of ECON (Hospodářský a měnový výbor) and his team on the role of PE/VC in European Union's pension systems, and the role of PE/VC in the Czech Republic (establishing relationship between Invest Europe, NVCAs and new ECON MEPs), postponed meeting with Luděk Niedermayer
- **BREXIT:**
Impact on PE industry, preparation for different scenarios during entire 2019
- **AIFMD review:**
 - Invest Europe gathered feedback from national associations on different issues (e.g.: remuneration, fees and charges...)
 - Was expected to be discussed by MEPs in autumn this year, however, Covid-19 pandemics may postpone it

Other currently discussed issues with no relevance for the Czech market

Members of TLC

Activities of TLC 2019 - 2020

Priorities of TLC for the near future

Chairman:

Tomáš Doležil (JŠK)

Members:

Jan Topinka (Havel & Partners)

Jan Procházka (Dentons)

Jan Juroška (Kinstellar)

Michal Jašek (Clifford Chance)

Aleš Zídek (R2G)

Michal Trnka (Deloitte)

- Ministry of Finance - regular updates
- Invest Europe - monitoring
- Ongoing support of the Board/CEO with Tax & Legal matters
- Regular contact/networking with the authorities and market players

- **National Strategy for the Development of the Capital Market**
 - Public Consultation on the proposed legislative changes
 - Comments on the proposed Act on the implementation of the National Strategy
 - Ongoing communication with the Ministry of Finance

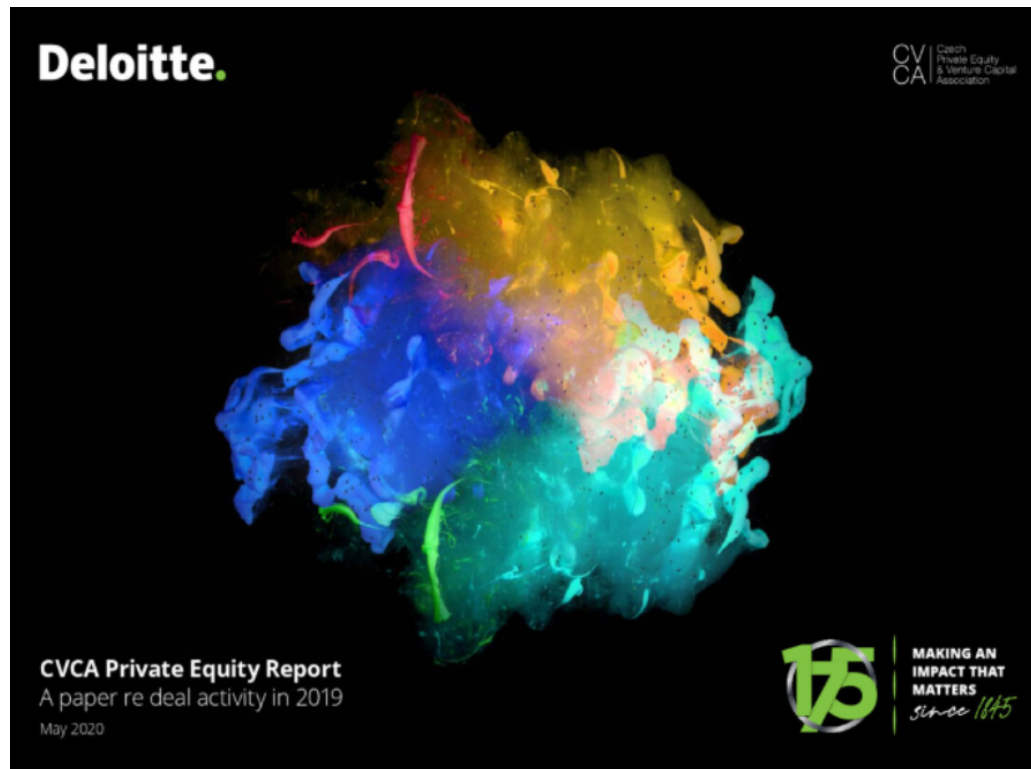
- Key issues relevant for the PE industry:
 - PE funds as asset class for pension funds – alternative pension fund
 - Administration fees payable by pension funds
 - Individual savings accounts
 - Sub-funds possible for other legal forms
 - Trusts administration
- Expected effective date: 1 January 2022

- Follow-up on the legislative process and proposed changes
- Active commenting and communication with the responsible authorities
- Co-ordination with AKAT and pension funds

Many thanks to the T&L committee!

Tax & Legal Committee Report

- Extensive communication with journalists of economic media (incl. E15, Hospodářské noviny, idnes, Ekonom, Merger Market):
 - providing background information on market situation, role of PE/VC funds
 - providing contacts to GPs
- Articles mentioning CVCA and PE/VC market statistics in Roklen24.cz, finparada.cz, fxstreet.cz, investicniweb.cz



CVCA Private Equity Report: Summary of deal activity in 2019

- Close cooperation with PEREP Analysts and Invest Europe Head of Research
- Cooperation on CEE Statistics publication
- Data collection from January to March 2020, followed by audit of the data, contacting GPs to amend certain data etc.
- Close cooperation with Deloitte on data confirmation / audit and works on Survey
- Data published on June 2, 2020 together with the Survey
- Start of H1 2020 data collection late June 2020

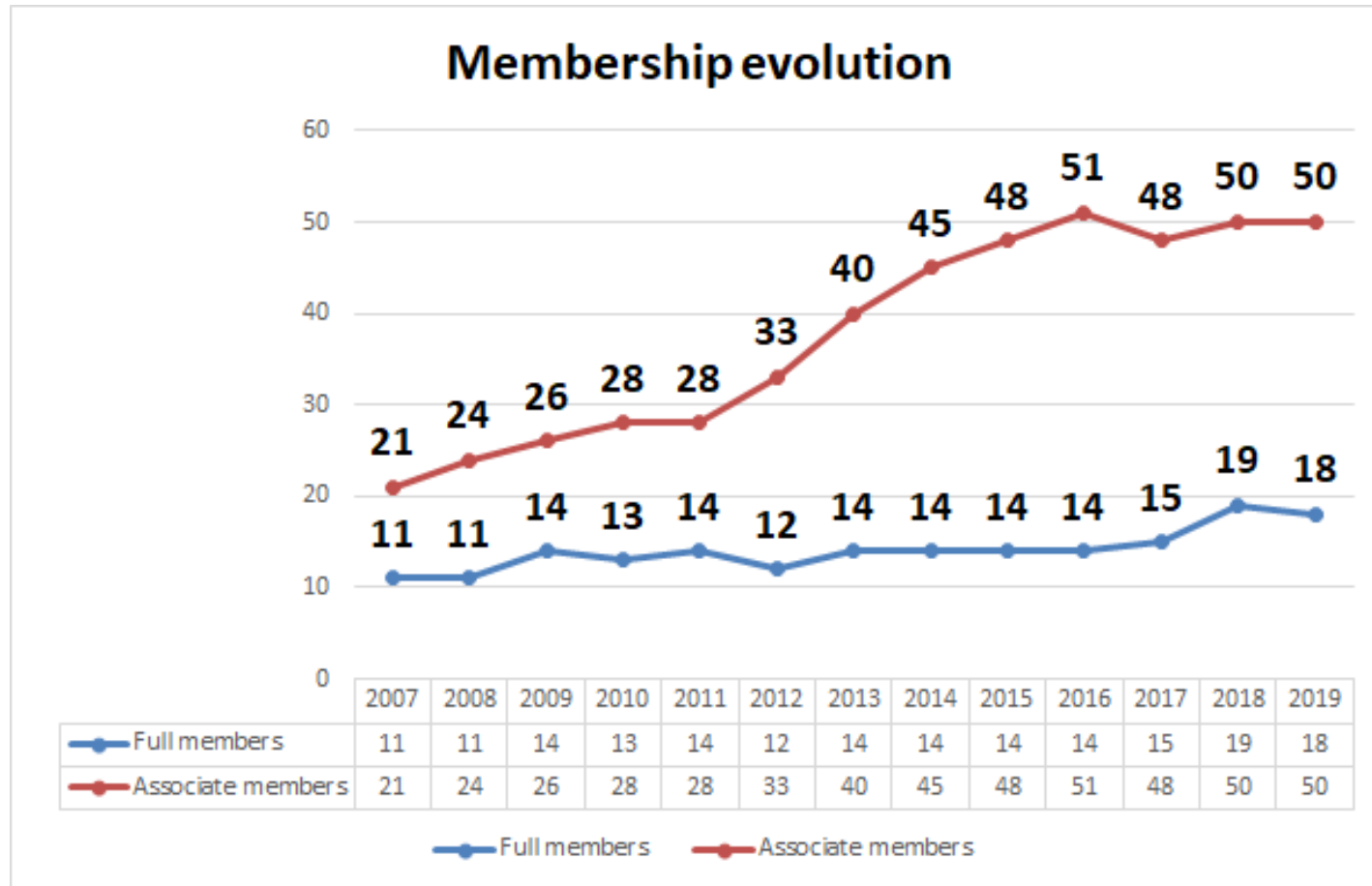
CEE Success Stories

- Project initiated by CEE PE Task Force, supported by Invest Europe, Jiří Beneš member of the Steering Committee
- Following the two-steps submission process, four CZ projects likely to be included
- Publication postponed from H1 2020 due to Covid-19 pandemics to 2021
- Should include relevant market statistics (Invest Europe data)
- Qualification criteria:
 - Full exit completed no earlier than 31/12/2014
 - Attractive financial return Participation of at least one CEE-focused private equity or venture capital fund
 - The investee's business is considered a CEE business
 - Demonstrable value-added provided by the PE/VC investor and positive ESG impact
 - The company continues to prosper following the investor's exit

Conference presentations and media partnerships

- 0100 PE & VC conference Praha (October, 2019)
- 0100 PE & VC conference Bratislava (June, 2019)
- CEE PE Insights, Poland (January, 2020)
- 0100 Webcasts (March – June 2020)

Membership evolution



New members since last Membership Meeting

Full members:

Abris, Versute Investments, Nation1

Associate members:

Aon, Sberbank, Raiffeisenbank

Membership 2019 total:

68 members (18 full, 50 associate)

CVCA Financial result 2019

CVCA Financial result 2019 (Pro forma incl. sponsorship)

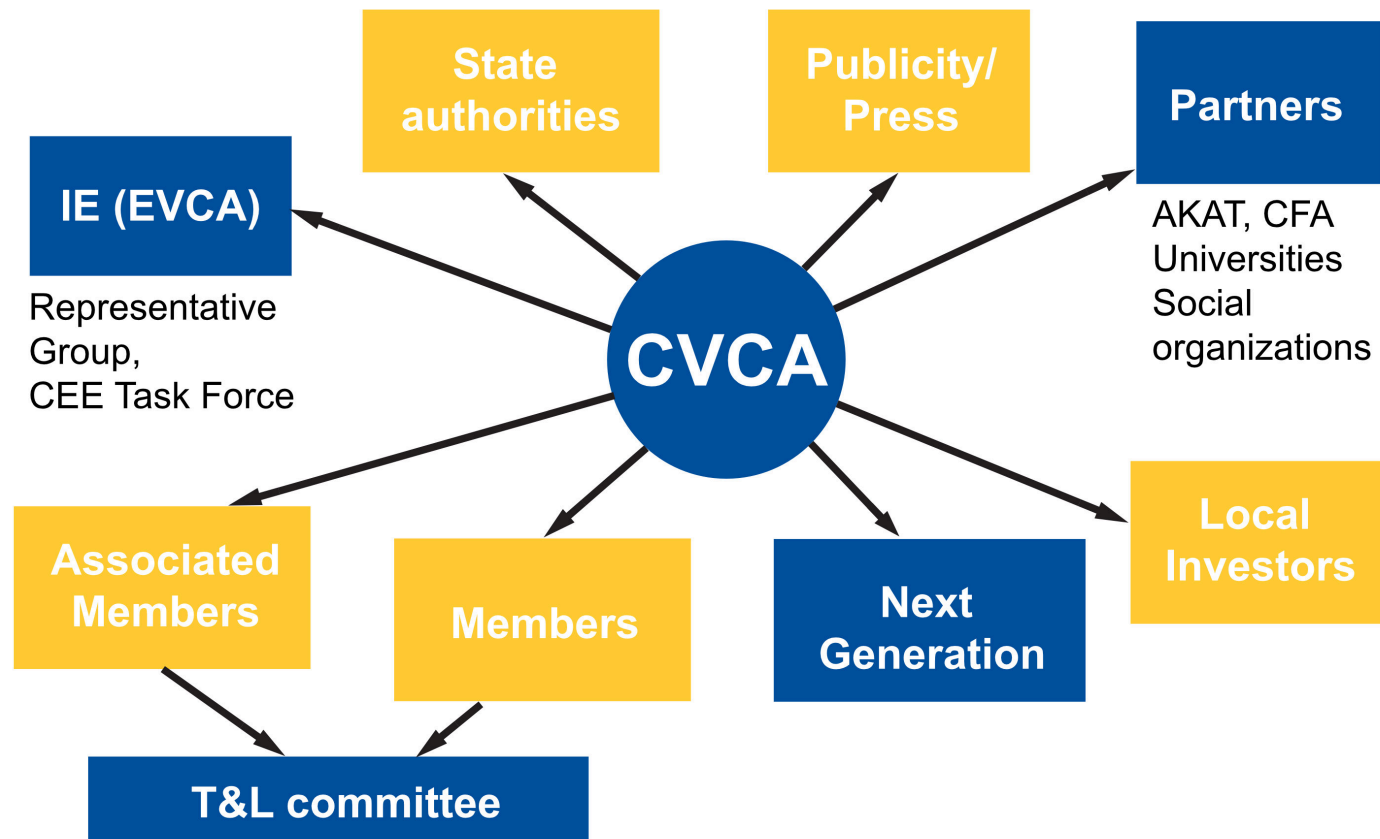
CVCA Actuals 2019/Budget 2019 (In CZK 000')			
		ACTUALS 2019	BUDGET 2019
INCOME		2.191	2.130
	Membership fees	1.890	1.880
	Sponsorship, other	301	250
EXPENSES		2.007	1.925
	Office/administration	165	164
	IT-Web redesign, provider, computer	62	70
	Personal costs	908	878
	Board/CEO	24	50
	CVCA events	769	650
	NVCA meetings	9	30
	Conferences	28	30
	Marketing	12	30
	Memberships	30	22
RESULT		184	205

CVCA Financial result 2019 (statutory)

CVCA Actuals 2019/Budget 2019 (In CZK 000')			
		ACTUALS 2019	BUDGET 2019
INCOME		1.910	2.130
	Membership fees	1.890	1.880
	Sponsorship, other	20	250
EXPENSES		1.726	1.925
	Office/administration	165	164
	IT-Web redesign, provider, computer	62	70
	Personal costs	908	878
	Board/CEO	24	50
	CVCA events	488	650
	NVCA meetings	9	30
	Conferences	28	30
	Marketing	12	30
	Memberships	30	22
RESULT		184	205

Jiří Beneš, President CVCA

CVCA Activities 2020



April – June:

Series of webcasts (from April to June, close cooperation with associated members). Last webcast on June 22 with GPs on Covid-19 impact and future for their PE/VC funds

June

CVCA Annual Membership Meeting

September

Smaller social event "Back to school" (using preferably outdoor location) – depending on pandemics status

October / November

CVCA's 25 years celebration was in the preparation process before the crisis, postponed (due to foreign participants and unclear epidemic prognosis for autumn) to spring 2021

December

CVCA Christmas Celebration - Jazz Dock

January 2021

The Czech Venture Capital and Private Equity 2020 highlights (in cooperation with Deloitte)

- **Implementation of Czech Capital Market Policy**
Continuous effort in connection with implementation of legislation having impact to PE/VC industry and other industries in connection with investing to PE/VC (meetings with MF's representatives)
- **CEE Success Stories**
- **Web and LinkedIn**
- **Sharing information on Covid-19 impact on PE/VC sector**
 - within the community
 - with state authorities

CVCA Budget 2020

CVCA Budget 2020 (Pro forma incl. sponsorship)

CVCA Actuals 2019/Budget 2020 (In CZK 000')			
		ACTUALS 2019	BUDGET 2020
INCOME		2.191	1.820
	Membership fees	1.890	1.650
	Sponsorship	301	170
EXPENSES		2.007	1.781
	Office/administration	165	164
	IT-Web redesign, provider, computer	62	70
	Personal costs	908	957
	Board/CEO	24	50
	CVCA events	769	420
	NVCA meetings	9	30
	Conferences	28	30
	Marketing	12	30
	Memberships	30	30
RESULT		184	39

Discussion

Changes in the Board of Directors: Election of new Member

- **Viktoria Habanová's mandate expired**
- **New Board Member candidate:**

Emília Mamajová of ESPIRA INVESTMENTS

THANK YOU FOR YOUR ATTENTION