



Enterprise  
Investors

# 2015

## 25 years of industry innovation



January 2016

Last year Enterprise Investors, one of the largest private equity managers in CEE and one of the region's oldest, celebrated its 25th anniversary. Since 1990 the company has continually delivered solid returns to its investors and has established itself in the region as the industry's leading innovator. Enterprise Investors helped establish the first mortgage lending institution on the Polish market. EI was also the first private equity manager to conduct an initial public offering (IPO) on the Warsaw Stock Exchange and to introduce option programs for its portfolio companies' senior managers.

EI's commitment to innovation continues to this day.




In 2015 Enterprise Investors completed its first IPO on the Prague Stock Exchange, introducing the Warsaw Stock Exchange listed Kofola to Czech investors and improving its access to the capital markets. This flotation is the first dual listing to have been carried out by a CEE private equity fund.

EI's leadership is also evident in the company's long-standing commitment to responsible investment practices. In 2015 Enterprise Investors became the region's first private equity signatory to the United Nations' Global Compact initiative, which advocates an ethical approach to human rights, labor, environment and anti-corruption practices.

2015 was also a year of continued successful investment activity. EI-managed funds completed two new investments in high-tech industries, acquiring stakes in 3S, a telecommunications company, and SMT, a software house. Enterprise Investors also exited four of its portfolio companies to strategic buyers.

We invite you to read the following summary of Enterprise Investors' achievements in 2015.

## Investments

<p>Polish Enterprise Fund VII, LP</p>  <p>Network of radiotherapy clinics</p> <p><b>EUR 5.7 million</b> Follow-on financing</p> <p>Enterprise Investors</p> <p>May 2015</p>	<p>Polish Enterprise Fund VII, LP</p>  <p>Telecommunications company</p> <p><b>EUR 21 million</b> Buyout</p> <p>Enterprise Investors</p> <p>June 2015</p>	<p>Polish Enterprise Fund VII, LP</p>  <p>Software house</p> <p><b>EUR 36 million</b> Buyout</p> <p>Enterprise Investors</p> <p>November 2015</p>	<p>Enterprise Venture Fund I, LP</p>  <p>Provider of software applications</p> <p><b>EUR 4.5 million</b> Follow-on financing</p> <p>Enterprise Investors</p> <p>December 2015</p>
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In May Polish Enterprise Fund VII signed an agreement to acquire 76% of shares in 3S SA, the leading telecommunications company operating in southern Poland. The value of the transaction was EUR 21 million.

Also in May PEF VII committed a further EUR 5.7 million to Nu-Med Grupa, a network of radiotherapy clinics. The transaction brings PEF VII's total commitment to this company to EUR 31.7 million. The funds were used to extend the network by building a new radiotherapy centre in Zamość (south-east Poland), Nu-Med's fourth therapeutic facility.

In September PEF VII announced its plan to invest EUR 36 million in a software house, SMT Software

Services, through a carve-out transaction from SMT SA. Following the transaction the fund holds 100% of shares in the company. In parallel, Enterprise Venture Fund I (EVF) committed a further EUR 4.5 million to BLStream, provider of innovative software applications. The transaction brings EVF's total commitment to this company to EUR 10 million. The funds were used to increase EVF's stake to 78%. Enterprise Investors is to merge the two companies – SMT Software Services and BLStream – to create the largest Polish player in this industry.

**The total equity value of the transactions completed by our funds last year amounted to EUR 55 million.**

## Exits

In April Polish Enterprise Fund VI signed an agreement to sell a 100% stake in NordGlass, the leading Polish producer of windscreens for the automotive sector, to AGC Automotive Europe, the European branch of AGC Group. This trade sale puts the enterprise value of NordGlass at EUR 80 million. The transaction was closed in September.

In the same month Polish Enterprise Fund V exited Gamet, a leader on the Polish market of decorative furniture accessories. PEF V sold its 100% stake to the Polish industry player Stalmot & Wolmet. The value of the transaction has not been disclosed.

In November Enterprise Venture Fund exited two of its portfolio companies, Euro-Tax and Dystrybucja Polska. The value of both transactions has not been disclosed.

December was marked by the IPO of Kofola on the Prague Stock Exchange, during which the company raised EUR 5 million in new capital. At the same time CED Group, a holding company controlled by Polish Enterprise Fund VI, partly exited CEE's leading soft drinks producer and distributor by selling 6% of Kofola shares and retaining a 37.3% stake. The transaction generated gross proceeds of EUR 22 million.

**Total gross proceeds, including dividends, from investments exited in the past year by EI-managed funds amount to EUR 112 million.**

## People and awards

In July Serban Roman was promoted to country director for Romania. He joined EI in 2008 as an analyst and was promoted to investment director after the successful acquisition of Profi Rom Food in 2010. Prior to joining EI, Serban worked for Ernst & Young (now EY) and for Unicredit CAIB (the M&A arm of Unicredit).

We are proud to report that in June Enterprise Investors was one of 16 member companies of the American Chamber of Commerce to be awarded the Honorary Medal of Merit for Economic Development of the Republic of Poland. EI received this state decoration for its outstanding contribution to the development of the Polish economy.

## Other initiatives and events

In 2015 EI continued to work with *Harvard Business Review Poland*, co-organizing a series of conferences for managers focused on value creation. The meetings were held in six major Polish cities and were attended by c. 300 entrepreneurs and managers. The series was extensively covered by the Polish edition of *Harvard Business Review* and by a dedicated online platform.

Over the course of the year EI co-organized a series of five conferences for small and medium enterprises under the

auspices of Confederation Lewiatan, a Polish association of private employers. This project attracted more than 400 attendees.

In 2015 EI also continued to co-organize rankings of the most dynamically developing companies in the Czech Republic (Štiky českého byznysu), Hungary (Pegazus Díj), Romania (Campioni în Business) and Slovakia (Diamanty slovenského biznisu). These annual events recognize and award the growth leaders in their respective geographical markets.

## Summary of investments

Since its founding in 1990, Enterprise Investors has raised eight funds with total capital exceeding EUR 2 billion. Until the end of 2015, the funds managed by Enterprise Investors invested EUR 1.7 billion in 135 companies across a range of industries. This figure includes EUR 1.2 billion invested in 116 companies in Poland and EUR 513 million in 19 companies in the CEE region. The funds managed by Enterprise Investors have exited 110 companies, achieving total gross proceeds of EUR 2.3 billion, of which EUR 735 million has been generated by investments outside of Poland. EI funds currently hold shares in 25 companies.

**We would like to thank you for your support  
and we wish you every success in 2016**

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