

# M&A Index Poland

Q4 2019

Prepared by [Navigator Capital](#) & [FORDATA](#)

---

Experts' comments to the 34<sup>th</sup> edition  
of the report can be found on the website:  
[fordatagroup.com/blog](https://fordatagroup.com/blog)

[navigatorcapital.pl/en](https://navigatorcapital.pl/en)  
[fordatagroup.com](https://fordatagroup.com)

# M&A Index Poland, Q4 2019

by Navigator Capital & FORDATA | January 2020

## Total number of transactions\*

49 (Q4 2019)

## The largest transaction\*\*

ca. EUR 0.3 b

(Acquisition of ca. 22% shares of Asseco Poland by Cyfrowy Polsat)

\* based on public data

\*\* among transactions with disclosed prices

## About the report:

The M&A Index Poland report is a position that has become a permanent fixture in the calendar of the industry summaries in Poland. The reports are prepared quarterly by a consulting firm **Navigator Capital** and **FORDATA**, a leader in the field of IT solutions which support M&A transactions.

These reports are created to monitor the dynamics of Polish M&A market and to demonstrate the most interesting transactions. We also monitor the frequency of use of the Virtual Data Room during M&A processes in Poland.

## Introduction

In the 4Q of 2019 we have witnessed 49 transactions on the Polish M&A market, which is by 13 less than in the corresponding period last year. The largest transaction of the last quarter was take-over of ca. 22% share of Asseco by Cyfrowy Polsat for ca. EUR 0,3 b.

## Selected transactions

TARGET	BIDDER	SELLER	VALUE [EUR]
Go Sport Polska	Sportmaster	Go Sport Group	Undisclosed

(1st October) Go Sport Polska, a chain of sports stores, part of the French Go Sport Group has been taken over by Sportmaster, a group managing sports stores in Eastern Europe and China. The takeover of the Polish branches of Go Sport is part of the Sportmaster strategy, assuming expansion into new markets. Go Sport Polska employs approx. 575 employees, generating EUR 60 m of revenues.

TARGET	BIDDER	SELLER	VALUE [EUR]
Meyra Group	HIG Capital	Avallon	Undisclosed

(24th October) A leading Polish producer and distributor of rehabilitation and orthopedic articles, Meyra Group, whose majority shareholder was the Avallon private equity fund, was acquired by the American fund H.I.G. Capital. The company is currently included among the largest representatives of the industry in the world. Since the fund's investment, the company has increased its turnover by a factor of 10 - to approx. EUR 80 m, which was possible due to i.a. implementing expansion strategies through acquisitions on foreign markets. Currently, Meyra products are present in 70 countries around the world.

TARGET	BIDDER	SELLER	VALUE [EUR]
Clovin	Avallon	Private investor	Undisclosed

(29th October) The private equity fund Avallon acquired a 60% stake in Clovin, a producer of cleaning products. The realization of the investment will provide funds for further development of the company necessary to implement the strategy of further foreign expansion and product range extension. The products offered by Clovin include washing powders, bleaches and fabric softeners, as well as dishwashing liquids for retail and business consumers. In the previous year, the company recorded about EUR 26 m of revenue and profit of EUR 2.4 m.

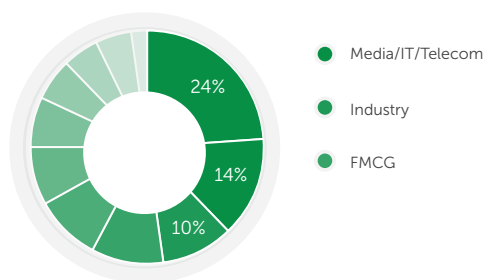
# M&A Index Poland, Q4 2019

by Navigator Capital & FORDATA | January 2020

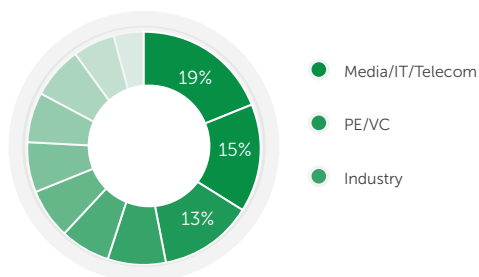
## By sector

Transactions with the participation of Polish companies grouped by sectors (by number of transactions)

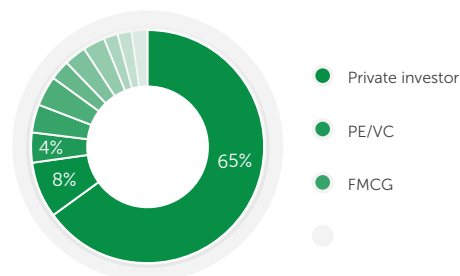
### TARGET (%)



### BIDDER (%)



### SELLER (%)



TARGET	BIDDER	SELLER	VALUE [EUR]
Masterchem	Logoplaste	Private investor	Undisclosed

(22th November) The Portuguese Logoplaste Group, a producer of plastic packaging, has announced the signing of an agreement regarding the purchase of a majority stake in the Polish company Masterchem. The company is one of the leading Polish producers of PET packaging and preforms as well as closures for household chemical packaging, cosmetics, foodstuffs as well as pharmaceutical products and dietary supplements. In 2018, the company generated EUR 33m of revenue and EUR 6m of profit. It employs approx. 170 people.

TARGET	BIDDER	SELLER	VALUE [EUR]
Unicell	Flugger	Private investor	12m

(26th November) Flügger A/S Group, a leading Scandinavian paint manufacturer, purchased a 60% stake in the Polish coating company Unicell for EUR 11 m. The company based in Wasilkow (Podlaskie Voivodship) recorded a profit of EUR 1.9 m in 2018, with revenues of EUR 20 m, employing approx. 190 people. The acquisition of a 60% stake in the Polish enterprise is part of the Flügger group strategy to develop in emerging markets. Thanks to the transaction, Flügger will strengthen its position on the Polish market, gaining access to wider sales channels.

TARGET	BIDDER	SELLER	VALUE [EUR]
Kospel	Viessmann	Private investor	Undisclosed

(26th November) Kospel, a Polish manufacturer of electric water heaters and boilers, was acquired by the Viessmann Group, a world leader in the production of heating devices. Thanks to this transaction, the German company will increase its presence on the markets of Central and Eastern Europe and expand its product portfolio with high-quality electric heating systems. Kospel employs approx. 500 people in 4 production plants and a part of the production is directed to eastern markets, including Russian or Ukrainian. In 2018, the company generated revenues of approximately EUR 23m. Navigator Capital Group was a sole advisor to seller in the sale process and FORDATA provided virtual data room services.

# M&A Index Poland, Q4 2019

by Navigator Capital & FORDATA | January 2020

TARGET	BIDDER	SELLER	VALUE [EUR]
Impexmetal	Granges	Boryszew	218 m

(28th November) Boryszew signed a preliminary agreement on the sale of shares of Impexmetal S.A with the Swedish company Granges AB. Granges is a global supplier of aluminum products used in heat exchangers and products from niche markets. Impexmetal, which is part of the Boryszew group, deals in the production of non-ferrous metals (aluminum, copper, zinc), as well as semi-finished products and bearings. The company generated approx. EUR 0.8b in revenues and nearly EUR 23m in profit. Currently employs approx. 760 people.

TARGET	BIDDER	SELLER	VALUE [EUR]
Vantage Development	Tag Immobilien	Private investor	131 m

(28th November) The German company TAG Immobilien acquired 100 percent shares in Vantage Development, a Wrocław residential developer listed on the WSE. The price per share was EUR 2.7, and the total value of the transaction is approximately EUR 131m. Vantage Development has 12 years of experience on the real estate market and has completed such investments as the Centauris estate in Wrocław or Living Point Mokotów in Warsaw. The TAG Group focuses its activities on the German residential real estate sector, mainly in the field of long-term rental of apartments.

TARGET	BIDDER	SELLER	VALUE [EUR]
Tomma Diagnostyka Obrazowa	PZU Zdrowie	Tar Heel Capital	Undisclosed

(6th December) The purchase transaction of 100% shares in Tomma Diagnostyka Obrazowa by PZU Zdrowie closed with positive decision from UOKiK. The acquisition aims to include innovation testing that will support public health service and is an extension of PZU's medical offer with its own diagnostic and prophylactic services. Tomma has over 30 studios in Poland. It offers resonance and tomographic tests. The transaction was carried out using the FORDATA Virtual Data Room.

# M&A Index Poland, Q4 2019

by Navigator Capital & FORDATA | January 2020

## Navigator Capital

- Navigator Capital along with Dom Maklerski Navigator (Navigator Brokerage House) is the leading independent financial adviser, specializing in mergers and acquisitions and public and private issues of stocks and bonds.
- During 11 years of its market presence, Navigator Capital Group conducted over 70 transactions, of over 6 billion PLN total value.
- Through cooperation with international network of advisory firms associated in the Pandion Partners, Navigator Capital effectively handles international transactions.

## FORDATA

- FORDATA is a pioneer on the Polish capital market. Based on Virtual Data Room technology, we support our clients in managing documents and communication during complex transactional processes.
- We support the largest M&A, IPO transactions, private equity investments, restructurings, projects associated with obtaining financing and privatizations in Poland and other countries of Central and Eastern Europe.
- FORDATA systems increased safety and efficiency of hundreds of different types of transactions with a total value of over PLN 35 billion
- FORDATA services are used by the industry leaders in Poland and abroad, including largest advisory companies, banks, legal advisors or Private Equity/Venture Capital funds, ie. Enterprise Investors, Enea SA, Home.pl, Grupa LOTOS, PZU SA, Grant Thornton, NFI Empik, ZELMER, Bank DNB, BOŚ Bank, Polimex Mostostal, Budimex, DM PKO Banku Polskiego, Deloitte Advisory, EY, KPMG Advisory, JSW, HAITONG and many others.



### Business Partners



### Authorised Adviser



## Contact

**Karol Szykowny** Director  
e: [karol.szykowny@navigatorcapital.pl](mailto:karol.szykowny@navigatorcapital.pl) t: +48 22 202 68 80

**Navigator Capital S.A.**  
ul. Twarda 18, 00-105 Warsaw, Poland  
t: +48 22 630 83 33 f: +48 22 630 83 30  
e: [biuro@navigatorcapital.pl](mailto:biuro@navigatorcapital.pl) [navigatorcapital.pl/en](http://navigatorcapital.pl/en)

**Alicja Kukla-Kowalska** Senior Key Account Manager  
e: [alicja.kukla@fordatagroup.com](mailto:alicja.kukla@fordatagroup.com) t: +48 533 354 054

**FORDATA sp. z o.o.**  
Taczaka 24, 61-819 Poznań, Poland  
t: +48 533 354 054 e: [office@fordatagroup.com](mailto:office@fordatagroup.com)  
[fordatagroup.com](http://fordatagroup.com)

TARGET	BIDDER	SELLER	VALUE [EUR]
Frisko	Eurocash	MCI Capital	30 m

(23th December) Over 56% shares of Frisko, an online food supermarket providing home delivery was taken over by Eurocash - one of the largest Polish players on the retail and wholesale market of FMCG products. Eurocash acquired the package from the MCI Capital fund, which invested in Frisko in 2014. Eurocash was one of Frisko's strategic investors, and the transaction will make it the sole shareholder of the company. According to forecasts, Frisko's revenues in 2019 will amount to approx. EUR 28 m.

TARGET	BIDDER	SELLER	VALUE [EUR]
Asseco	Cyfrowy Polsat	OFE, Private investors	ca. 0.3 b

(30th December) Approximately 22% of shares of Asseco, one of the largest Polish companies operating in the IT solutions for enterprises market, listed on the Warsaw Stock Exchange will be taken over by Cyfrowy Polsat, one of the leaders of the Polish TMT market, the owner of telecommunication company - Plus and Netia networks. In 2018 Asseco generated approximately EUR 2.2 b revenues and EUR 0.3 b EBITDA. The company's results recorded in Q3 2019 are about 28% higher compared to the same period of 2018. It will be a chance for Cyfrowy Polsat to gain an experienced and prospective partner who can help provide the technological base necessary for the development of innovative products.

## Experts' comments



**Alicja  
Kukla-Kowalska**

Senior Key Account Manager  
FORDATA

In the last three months of 2019, there were **49** mergers and acquisitions - 16 more than in the third quarter. Although increased market activity in this period is the rule we have been observing for 7 years, this year the second quarter (record **63** transactions), not the fourth, recorded the most transactions. The biggest takeover of disclosed value in the analyzed period was the purchase of 21.95% of Asseco shares by Cyfrowy Polsat for EUR 0.3 b.

### Establishment of "Polska S.A."?

The December meeting of entrepreneurs with Prime Minister Mateusz Morawiecki may result in the creation of an informal holding of Polish companies, which would support, among other things, their foreign expansion and competitiveness. Such a move could also be beneficial in the context of the M&A market. This year's **15** acquisitions of foreign entities by Polish investors, of which 4 took place in the fourth quarter, are a decrease by half compared to 2018. For comparison, in the fourth quarter of 2018 alone 11 foreign acquisitions ended. Over the last three months of 2019, Polish entrepreneurs took over two companies from the IT industry: OLX Group purchased the German FrontierCarGroup, while Summa Linguae acquired GlobalMe - a Canadian developer of software localization support services.

### IT / Media / Telecom still at the top

No surprise, in the fourth quarter of 2019 the most, over **24%**, of all purchased entities belonged to the IT/Media/Telcom sector. This year, no other industry has consolidated so dynamically, and its share on the side of the entities being acquired has not fallen below **20%** in any quarter. This is a good forecast for the coming year. While in the third quarter of 2019 we observed a record high presence of the sector on the buyers' side (**27%**), the last quarter was already marked by lower, although still high, investment activity - **19%**. However, this does not change the fact that IT/Media/Telcom companies also bought the most during the year. The online services market for the delivery-to-the-door is strengthening. Last quarter, Eurocash bought Frisco.pl, while Italian Supermercato24 took over Szopi.pl.

### High activity of foreign investors

Foreign investors accounted for more than half of all buyers in the last quarter - **25** transactions. Percentage is twice as much compared to the same period last year (16/62). This share was also **11%** higher compared to the third quarter of 2019. Polish companies from the energy and IT services sector enjoyed the greatest popularity. German Papierfabrik Adolf Jass acquired Convert Paper, thanks to which the Gostyń-based company will be able to count on additional business development opportunities. In turn, the French Astek Group has strengthened its presence in Poland by purchasing Core Services and ProSoftLab. Investors from Luxembourg bought most often - 5 times.

### Private entities sell the most

Statistics on the sellers' side are not surprising either. **65%** of all those who sold their shares in the fourth quarter of 2019 were private investors. The owners of Media/IT/Telcom were the most active in this respect - **9** sales transactions, while three sales transactions were made in the medical, real estate and industry sectors. For comparison, in the corresponding period of 2018, private sellers accounted for **51%** of entities, while in the third quarter of 2019 - **48%**.

### The energy industry is maturing slowly

In the past quarter, we recorded 3 purchase transactions in the energy sector, all in the field of renewable energy. Energa OZE bought PV Wielbark - the owner of photovoltaic installations, the British Green Investment Group took over Zajączkowo Windfarm, while the Norwegian Wind Power bought **50%** shares of IMF Bałtyk I from Polenergia. The market share of mergers and acquisitions is smaller than in the previous quarter, despite the same number of acquisitions. The planned takeover of Energa S.A. by PKN Orlen is under question. The City Council of Gdańsk categorically opposed such investment as hitting the region's budget.

# M&A Index Poland, Q4 2019

by Navigator Capital & FORDATA | January 2020

## Experts' comments



**Alicja  
Kukla-Kowalska**

Senior Key Account Manager  
FORDATA

### Data rooms are becoming more and more common

The fourth quarter of 2019 resulted in the frequency of use of Virtual Data Room systems in mergers and acquisitions at high **49%**. We are pleased that once again we could support the consolidation processes of Polish companies. The FORDATA system was used by parties in a number of transactions, including the sale of Tomma Diagnostyka Obrazowa to PZU Zdrowie and the purchase of heaters manufacturer Kospel by Viessmann.



# M&A Index Poland, Q4 2019

by Navigator Capital & FORDATA | January 2020



**Karol Szykowny,**  
CFA

Director  
Navigator Capital

In the fourth quarter of 2019, **49** mergers and acquisitions were closed on the Polish market. This is by 13 less than in the same period in 2018.

The largest transaction in terms of value in the last quarter was the acquisition of ca. **22%** shares of Asseco, the market leader in IT solutions for companies listed on the Warsaw Stock Exchange by Cyfrowy Polsat - a leading provider of telecommunications services in Poland, the owner of Plus and Netia networks. The potential of cooperating companies will allow to extend the offer with advanced IT and telecommunications services. As announced, the companies are not planning a merger and will operate autonomously.

The last quarter on the mergers and acquisitions market in Poland is distinguished by a higher number of transactions compared to the previously analyzed periods. In the last quarter, a continuation of the consolidation trend of the Polish TMT sector could be observed, and entities active in it accounted for **24%** of targets in this period. As the acquiring entity, companies from the TMT sector occurred in **19%** of completed transactions. The most interesting transactions include the acquisition of a majority stake in Frisco, a supermarket online, by Eurocash, one of the largest companies in Poland active in retail industry, which will be the sole shareholder of Frisco after the closing of the transaction. Another worth mentioning transaction in the e-commerce industry was the investment of the Italian company Supermercato24 in Szopi.pl aimed at building the potential for expansion in further markets and the development of an international player at the online grocery market.

In the analyzed period, increased activity of Private Equity funds, responsible for approximately **15%** of transactions on the buyer's side could be observed. Progressive economic growth in the CEE region, optimism as to the further development of the local market and a large number of enterprises whose owners are struggling with the succession problems are the lifeblood of M&A activity of entities and are conducive to further market development. In the fourth quarter of 2019, exits from investments made by PE funds has been noticed, including sale of portfolio companies of such funds as Tar Heel Capital, MCI Capital and Avallon.

The consolidation was continued in the medical industry, where in the past quarter market leaders such as Luxmed, PZU Zdrowie and Medcover made further acquisitions allowing the increase in the number of medical facilities. A noteworthy transaction is the investment of the American PE fund, H.I.G Capital, in the Meyra Group, a Polish manufacturer of rehabilitation and orthopedic equipment. Thanks to the fund's support, Meyra can become one of the global leaders in its sector.

The largest share in sectoral structure of acquired entities had the TMT sector - **24%**, industrial - **14%** and FMCG - **10%** of the acquired. On the buyers side, also the TMT sector was the most active - **19%** and PE / VC funds - **15%**. The largest group among the selling entities were private investors - **65%**.